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RHODE ISLAND
COMPREHENSIVE ANNUAL
FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 1990

COMPREHENSIVE ANNUAL FINANCIAL REPORT

OF THE

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

FOR THE

FISCAL YEAR ENDED JUNE 30, 1990

Prepared By

DEPARTMENT OF ADMINISTRATION

HARRY J. BAIRD, DIRECTOR

OFFICE OF ACCOUNTS AND CONTROL

LAWRENCE C. FRANKLIN, JR., C.P.A., STATE CONTROLLER

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STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Department of Administration
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June 6, 1991

The Honorable Bruce Sundlun, Governor
State of Rhode Island
State House
Providence, Rhode Island

Dear Governor Sundlun:

In accordance with Section 35-6-1 of the General Laws, we are pleased to submit to you the Comprehensive Annual Financial Report of the State of Rhode Island and Providence Plantations for the fiscal year ended June 30, 1990. This report was prepared by the State's Department of Administration - Office of Accounts and Control. Responsibility for both the accuracy and the completeness and fairness of the presentation rests with the state. We believe the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the state as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the state's financial affairs have been included.

This report has been prepared in accordance with generally accepted accounting principles ("GAAP") for governments as promulgated by the Governmental Accounting Standards Board. It is presented in three sections: introductory, financial, and statistical. The Introductory Section includes this letter of transmittal, the organization chart, and a list of officials of state government. The Financial Section includes the Independent Auditor's Report, the general purpose financial statements and the combining and individual fund and account group financial statements and schedules. The Statistical Section includes selected financial information, generally presented on a multi-year basis.

ACCOUNTING SYSTEM AND BUDGETARY CONTROL

Management of the state is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the state are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

There is now a requirement for managers in all branches and components of government to maintain comprehensive internal control systems, to regularly evaluate the effectiveness and adequacy of these systems by internal reviews, and to submit an annual report on these internal controls to the Governor in accordance with the 1986 Financial Integrity and Accountability Act.

The Governor is required to submit to the General Assembly an executive budget for the General Fund which contains a complete plan of expenditures for the ensuing fiscal year and identifies the anticipated revenues sufficient to meet the proposed expenditures. Preparation and submission of the budget is governed by both the state constitution and the General Laws of the state.

The budget as proposed by the Governor is considered by the General Assembly which, under state law, may increase, decrease, alter or strike out any items in the budget, provided the General Assembly may not take any action which would cause an excess of expenditures over expected revenues. No appropriation in excess of budget recommendations may be enacted by the General Assembly unless it shall provide the necessary additional revenue to cover such appropriation. If at any time during a fiscal year the Budget Officer determines that actual revenue receipts or resources will not equal the original estimates upon which the appropriations were based, or that spending will exceed appropriations, the Governor, for the purpose of maintaining a balanced budget, has the power to reduce or suspend appropriations for any or all departments except the General Assembly and its agencies and commissions.

In addition, a State Budget Reserve and Cash Stabilization Account was established within the General Fund in fiscal year 1985. Such account is to be used solely for the purpose of funding any unanticipated General Fund deficit caused by a revenue shortfall. In fiscal year 1990, $31.5 million was transferred from this reserve to avert a deficit at June 30, 1990.

Budgetary control is maintained at the program level by the encumbrance of estimated purchase amounts prior to the release of purchase orders and contracts to vendors. Purchase orders that would result in an overrun of available balances are not released until budget revisions are approved or additional appropriations are made.

REPORTING ENTITY AND ITS SERVICES

The Comprehensive Annual Financial Report includes all funds and account groups of the State of Rhode Island as well as agencies, boards, commissions, public benefit corporations and other organizational entities for which the state has oversight responsibility, or for which financial interdependency exists.

The state provides a full range of services contemplated by statute or character. These include education, health and social services, transportation, law, public safety, recreation, public improvements, and comprehensive support.

GENERAL FUND CONDITION

The general fund accounts for the financing of the principal operations of state government and most jointly financed state-federal programs. Revenues and other financing sources of the general fund totaled $2.024 billion in 1990, an increase of $205 million (11.25%) over the previous year. The revenues from various sources and the change from the previous year are shown in the following tabulation (amounts in thousands):

			Increase(Decrease) over 1989	
	1990	1989	Amount	Percent
Taxes:				
Personal income	$ 433,728	$ 422,255	$ 11,473	2.72%
Sales and use	552,787	505,298	47,489	9.40
General business	193,587	170,535	23,052	13.52
Other	42,694	36,682	6,012	16.39
Subtotal	1,222,796	1,134,770	88,026	7.76
Federal grants	470,281	430,545	39,736	9.23
Restricted revenues	68,576	56,875	11,701	20.57
Sales and services	111,563	115,923	(4,360)	(3.76)
Miscellaneous	36,605	39,505	(2,900)	(7.34)
Subtotal	687,025	642,848	44,177	6.87
Total revenues	1,909,821	1,777,618	132,203	7.44
Other financing sources	113,846	41,391	72,455	175.05
Total revenues and other financing sources	$2,023,667	$1,819,009	$204,658	11.25%

Expenditures and other financing uses totaled $2.037 billion in fiscal year 1990, an increase of $117 million (6.10%) over the previous year. Changes in expenditures by function from fiscal 1989 are shown in the following tabulation (amounts in thousands):

			Increase(decrease) over 1989	
	1990	1989	Amount	Percent
Health	$ 636,058	$ 583,521	$ 52,537	9.00%
Education	446,232	415,208	31,024	7.47
Social Assistance	406,512	360,533	45,979	12.75
Economic Development	76,769	75,582	1,187	1.57
Transportation	69,651	67,550	2,101	3.11
Public Safety	53,139	52,089	1,050	2.02
Community Affairs	60,583	69,159	(8,576)	(12.40)
Comprehensive Support	129,928	114,895	15,033	13.08
Subtotal	1,878,872	1,738,537	140,335	8.07
Other financing uses	158,373	181,560	(23,187)	(12.77)
Total expenditures and other financing uses	$ 2,037,245	$ 1,920,097	$ 117,148	6.10%

As a result of the operating performance discussed above, the state ended fiscal 1990 with no available fund balance.

CASH MANAGEMENT

The General Treasurer is responsible for the deposit of cash receipts; and for the payment of sums, as may be required and upon due authorization from the State Controller. Major emphasis is placed by the General Treasurer on cash management in order to insure that there is adequate cash on hand to meet the obligations of the state as they arise.

The General Treasurer is also responsible for the investment of certain funds and accounts of the state on a day-to-day basis. In addition, the General Treasurer is the custodian of certain other funds and accounts and, in conjunction with the State Investment Commission, invests the amounts on deposit in such funds and accounts, including but not limited to, the Pension Trust Funds. The General Treasurer submits an annual report to the General Assembly on the performance of the state's investments.

DEBT ADMINISTRATION

Under the State Constitution, the General Assembly has no power to incur state debts in excess of $50,000 without the consent of the people, except in the case of war, insurrection or invasion; or to pledge the faith of the state to the payment of obligations without such consent.

The state's general obligation bonds are rated Aa by Moody's Investors Service and AA by Standard & Poor's Corporation. The state had $417.5 million of general obligation bonds and notes supported by taxes outstanding at fiscal year-end. During fiscal 1990, the state issued $96.8 million of general obligation bonds and notes and redeemed $58.8 million. The total amount of general obligation bonded debt authorized but not yet issued at year-end is $423.8 million. Additional authorizations approved by the voters in the fall of 1990 amounted to $197.4 million.

In addition, the state has pledged or guaranteed the bonds and notes issued by or on behalf of certain agencies, commissions, and authorities of the state. At the end of fiscal 1990, this guaranteed debt amounted to $54.9 million.

The state has entered into several lease agreements with the Rhode Island Public Buildings Authority relating to capital projects financed by the Authority at the request of the state. At year-end, the state's obligation to the Authority reflected in the General Long-term Debt Account Group, amounted to $186.5 million.

The state and the City of Providence entered into a lease agreement with the Convention Center Authority related to the Authority's construction of a convention center and parking facilities. The lease agreement required rental payments by the state and city in an amount sufficient to pay the operating expenses of the Authority and debt service on its obligations. At June 30, 1990 the state's obligation to the Authority amounted to $24.2 million. Subsequent to June 30, 1990, the state assumed responsibility for 100 percent of the rentals and other payments with respect to obligations issued by the Authority.

In addition to the state's master lease program, the state has entered into a lease agreement with a financial institution to finance construction of a correctional facility through the issuance of certificates of participation. At year end, $33 million of certificates of participation remained outstanding.

It is important to note that repayment of obligations under capital leases is contingent upon and subject to annual appropriation by the General Assembly.

AUDIT

The general purpose financial statements of the state have been audited by the Auditor General as required by Section 35-7-10 of the General Laws. His report is included on page 11 of the financial section of this report.

ACKNOWLEDGEMENTS

We wish to express our sincere appreciation to the many individuals who assisted and contributed to the preparation of this report. It could not have been accomplished without the professionalism and dedication demonstrated by the entire staff of the Office of Accounts and Control, the Treasury Department, the Office of the Auditor General, and numerous other state agencies. We also want to thank the Governor and members of the General Assembly for their interest and support in planning and conducting the financial operations of the state in a responsible and progressive manner.

Respectfully submitted,

Harry J Baird

Harry J. Baird, Director
Department of Administration

Lawrence C Franklin

Lawrence. C. Franklin, Jr., C.P.A.
State Controller

HJB:LCF/hh

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AUDIT

The general purpose financial statements of the state have been audited by the Auditor General as required by Section 35-7-10 of the General Laws. His report is included on page 11 of the financial section of this report.

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Respectfully submitted,

Harry J Baird

Harry J. Baird, Director
Department of Administration

Lawrence C Franklin Jr

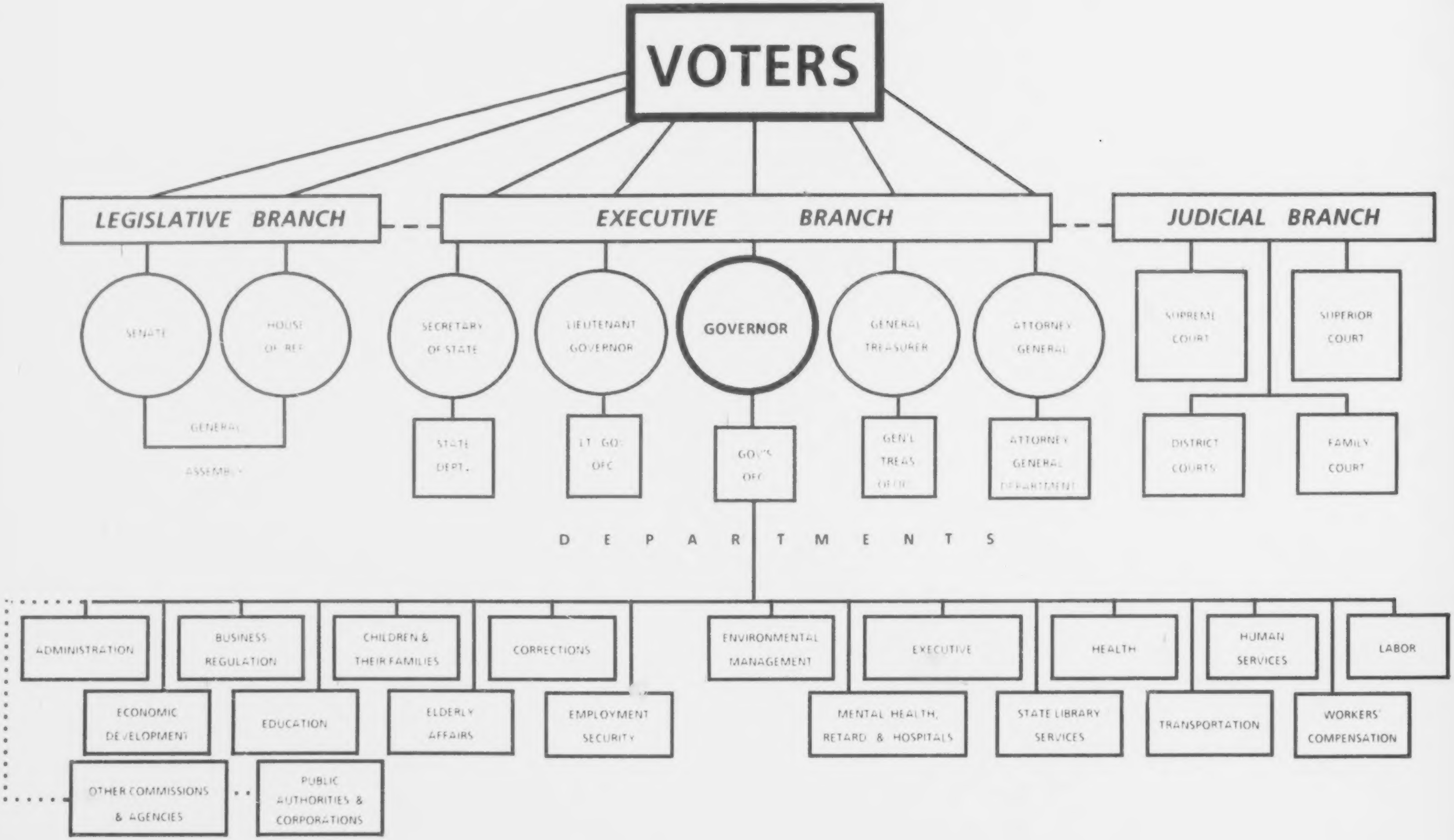
Lawrence. C. Franklin, Jr., C.P.A.
State Controller

HJB:LCF/hh

RHODE ISLAND STATE GOVERNMENT

A

BASIC CHART OF ORGANIZATION


VOTERS
LEGISLATIVE BRANCH
EXECUTIVE BRANCH
JUDICIAL BRANCH
SENATE
HOUSE OF REP.
GENERAL ASSEMBLY
SECRETARY OF STATE
LIEUTENANT GOVERNOR
GOVERNOR
GENERAL TREASURER
ATTORNEY GENERAL
SUPREME COURT
SUPERIOR COURT
STATE DEPT.
LT. GOV. OFC
GOV'S OFC
GEN'L TREAS OFCE
ATTORNEY GENERAL DEPARTMENT
DISTRICT COURTS
FAMILY COURT
DEPARTMENTS
ADMINISTRATION
BUSINESS REGULATION
CHILDREN & THEIR FAMILIES
CORRECTIONS
ENVIRONMENTAL MANAGEMENT
EXECUTIVE
HEALTH
HUMAN SERVICES
LABOR
ECONOMIC DEVELOPMENT
EDUCATION
ELDERLY AFFAIRS
EMPLOYMENT SECURITY
MENTAL HEALTH, RETARD & HOSPITALS
STATE LIBRARY SERVICES
TRANSPORTATION
WORKERS' COMPENSATION
OTHER COMMISSIONS & AGENCIES
PUBLIC AUTHORITIES & CORPORATIONS

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

OFFICIALS OF STATE GOVERNMENT

(As of January 1, 1991)

EXECUTIVE BRANCH

Governor
Bruce Sundlun

Lieutenant Governor
Roger N. Begin

Secretary of State
Kathleen S. Connell

General Treasurer
Anthony J. Solomon

Attorney General
James E. O'Neil

LEGISLATIVE BRANCH

Senate
President of the Senate
Lieutenant Governor Roger N. Begin

House of Representatives
Speaker of the House
Joseph DeAngelis

JUDICIAL BRANCH

Chief Justice of the Supreme Court
Thomas F. Fay

FINANCIAL SECTION

State of Rhode Island and Providence Plantations

GENERAL ASSEMBLY
Office of the Auditor General
180 NORWOOD AVENUE
CRANSTON, RHODE ISLAND 02905

ANTHONY PICCIRILLI
Auditor General

June 6, 1991

Independent Auditor's Report

Finance Committee of the House of Representatives and
Joint Committee on Legislative Services, General Assembly,
State of Rhode Island and Providence Plantations

We have audited the accompanying general purpose financial statements of the State of Rhode Island and Providence Plantations at June 30, 1990 and for the year then ended as listed in the Table of Contents. These general purpose financial statements are the responsibility of the State's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit. We did not audit the financial statements of the university and colleges and certain enterprise funds, which statements reflect total assets of $3,147 million at June 30, 1990 and revenues of $477 million for the year then ended constituting 46 percent and 15 percent, respectively, of the related combined totals for the entity. These statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for these entities, is based solely upon the reports of the other auditors.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinion.

The general purpose financial statements do not include the statement of the general fixed assets account group which should be included in order to conform with generally accepted accounting principles. The State has not completed the accumulation of historical information as to the cost and classification of its investment in general fixed assets. The amount that should be recorded in the general fixed assets account group is not known.

In our opinion, based upon our audit and the reports of other auditors, except for the effect on the financial statements of the omission of the statement of the general fixed assets account group described in the preceding paragraph, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the State of Rhode Island and Providence Plantations at June 30, 1990, and the results of its operations and the cash flows of its proprietary and similar trust fund types for the year then ended in conformity with generally accepted accounting principles.

As discussed in Note 8 (Contingencies - Rhode Island Solid Waste Management Corporation), the Rhode Island Solid Waste Management Corporation has become a defendant in a number of legal actions and the subject of investigations and orders by certain governmental agencies. Developments in these matters during 1990 have increased the likelihood that the Corporation will incur significant costs in resolving the underlying issues and taking remedial actions. The amount of such costs is presently not determinable, and no provision for any liability has been made in the general purpose financial statements.

As more fully discussed in Note 1 (Summary of Significant Accounting Policies - W. Accounting Changes and Reclassifications), the State changed certain accounting policies and reporting practices during 1990.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements, taken as a whole. The combining and individual fund and account group statements and schedules, as enumerated in the Table of Contents (A-1 through H-2), are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the State of Rhode Island and Providence Plantations. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

We did not audit the data included in the statistical section and, accordingly, express no opinion thereon.

Sincerely,

Anthony Piccirilli

Anthony Piccirilli, C.P.A.
Auditor General

FINANCIAL SECTION

Exhibit/
Schedule

GENERAL PURPOSE FINANCIAL STATEMENTS:

Combined Balance Sheet - All Fund Types and Account Groups I

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - All Governmental Fund Types and Expendable Trust Funds II

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - University and Colleges - All Governmental Fund Types III

Combined Statement of Revenues, Expenses and Changes in Fund Equity - All Proprietary Fund Types and Similar Trust Funds IV

Combined Statement of Cash Flows - All Proprietary Fund Types and Similar Trust Funds V

Statement of General Revenues, Expenditures and Changes in Available Fund Balance - Budget and Actual - General Fund VI

Combined Statement of Revenues, Expenditures, and Encumbrances - Budget and Actual - University and Colleges - General Educational Funds VII

Notes to Combined Financial Statements

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit I-1

COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
June 30, 1990

(Expressed in thousands)

	Governmental Fund Types			Proprietary Fund Types	
Assets	General (A-1)	Special Revenue (B-1)	Capital Projects (D-1)	Enterprise (E-1)	Internal Service (F-1)
Cash and cash equivalents	$ 9,763	$ 55,557	$ 28,650	$ 434,356	$ 8,673
Funds on deposit with fiscal agent		275,840	30,577	216	
Investments	9,183	7,200		772,838	
Receivables (net of allowance for uncollectibles):					
Taxes	81,479	5,165			
Accounts	13,697	1,924	66	15,677	1,011
Accrued interest				27,124	
Notes and loans				1,212,838	
Contributions					
Due from other funds	15,573	2,932		23,979	
Due from other governments and agencies	50,929	51,645	3,026	2,525	
Inventories				880	2,437
Deferred compensation held by insurance companies					
Land				88,217	
Fixed assets				311,627	8,661
Accumulated depreciation, depletion, and amortization				(76,355)	(3,551)
Other assets				52,853	
Amount available in debt service funds					
Amount to be provided for the retirement of general long-term debt					
Rentals due for payment of principal and current interest on revenue bonds				242,844	
Total assets	$ 180,624	$ 400,263	$ 62,319	$ 3,109,619	$ 17,231
Liabilities and Fund Equity					
Liabilities:					
Cash overdraft	$ 2,379	$ 5,895	$ 1,616	$ 1,734	$
Vouchers and accounts payable	101,926	20,924	12,842	15,811	5,936
Due to other funds	22	2,594	2,172	32,285	5,158
Due to other governments and agencies		56		745	
Due to state employees - deferred compensation plan					
Accrued liabilities	17,192	1,577	5	62,057	462
Obligations under reverse repurchase agreements	8,000				
Deferred revenue		10,687		5,334	
Notes payable				124,784	
Obligations under capital leases				255	4,930
Bonds payable				2,180,970	
Loans payable				6,960	
Other liabilities	4,212			210,406	
Total liabilities	$ 133,731	$ 41,733	$ 16,635	$ 2,641,341	$ 16,486
Fund equity:					
Contributed capital	$	$	$	$ 141,177	$
Retained earnings:					
Reserved					226
Unreserved				37,463	519
Fund balance:					
Reserved for encumbrances		225,213	89,815		
Reserved for debt retirement					
Reserved for pension benefits					
Reserved for employment insurance programs		310,413			
Other reserves	17,086	27		265,573	
Appropriations carried forward	29,807				
Unreserved:					
Designated		1,549	22		
Undesignated		(178,672)	(44,153)	24,065	
Total fund equity	$ 46,893	$ 358,530	$ 45,684	$ 468,278	$ 745
Total liabilities and fund equity	$ 180,624	$ 400,263	$ 62,319	$ 3,109,619	$ 17,231

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit I-2

COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
June 30, 1990

(Expressed in thousands)

	University and College Fund Types				
Assets	Governmental (C-1)	Fiduciary (C-2)	General Long-Term Debt (C-3)	Trust and Agency (G-1)	General Long-Term Debt Account Group (H-1)
Cash and cash equivalents	$ 25,132	$ 760	$	$ 356,852	$
Funds on deposit with fiscal agent					
Investments	20,515	1		1,780,849	
Receivables (net of allowance for uncollectibles):					
Taxes					
Accounts	12,242	7		58	
Accrued interest	36			23,646	
Notes and loans	10,861				
Contributions				20,176	
Due from other funds	1,991	2			
Due from other governments and agencies					
Inventories	2,004				
Deferred compensation held by insurance companies				50,693	
Land					
Fixed assets					
Accumulated depreciation, depletion, and amortization					
Other assets	55				
Amount available in debt service funds			5,147		
Amount to be provided for the retirement of general long-term debt			31,905		697,693
Rentals due for payment of principal and current interest on revenue bonds					
Total assets	$ 72,836	$ 770	$ 37,052	$ 2,232,274	$ 697,693
Liabilities and Fund Equity					
Liabilities:					
Cash overdraft	$	$	$	$ 1,988	$
Vouchers and accounts payable	13,523	4		11,075	
Due to other funds	1,921	71		254	
Due to other governments and agencies				524	
Due to state employees - deferred compensation plan				50,693	
Accrued liabilities				12	
Obligations under reverse repurchase agreements					
Deferred revenue	7,303				
Notes payable					76,800
Obligations under capital leases			10,064		260,031
Bonds payable			26,988		344,096
Loans payable					15,340
Other liabilities		695		12,953	1,426
Total liabilities	$ 22,747	$ 770	$ 37,052	$ 77,499	$ 697,693
Fund equity:					
Contributed capital	$	$	$	$	$
Retained earnings:					
Reserved					
Unreserved					
Fund balance:					
Reserved for encumbrances	6,661			92	
Reserved for debt retirement	5,100				
Reserved for pension benefits				2,151,151	
Reserved for employment insurance programs					
Other reserves	37,214				
Appropriations carried forward					
Unreserved:					
Designated	1,114				
Undesignated				3,532	
Total fund equity	$ 50,089	$	$	$ 2,154,775	$
Total liabilities and fund equity	$ 72,836	$ 770	$ 37,052	$ 2,232,274	$ 697,693

The accompanying notes are an integral part of this financial statement.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit II

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS

For the Fiscal Year Ended June 30, 1990

(Expressed in thousands)

	Governmental Fund Types			Fiduciary Fund Type	
	General (A-2)	Special Revenue (B-2)	Capital Projects (D-2)	Expendable Trust (G-4)	Total (memorandum only)
Revenues:					
Taxes	$ 1,222,796	$ 158,013	$	$	$ 1,380,809
Fines and penalties	9,929		294	1,318	11,541
Licenses, fees, sales, and services	130,476	2,843		1,970	135,289
Departmental restricted revenues	68,576				68,576
Intergovernmental revenue:					
Federal	470,281	144,091	7,639	340	622,351
State		1,146			1,146
Municipal		1,333			1,333
Contributions		8,329			8,329
Income from investments	2,065	32,068	2,887	150	37,170
Unclaimed property				4,097	4,097
Miscellaneous	5,698	2,069		440	8,207
Total revenues	1,909,821	349,892	10,820	8,315	2,278,848
Expenditures:					
Individual and family development	1,488,802	212,659	20,022	1,879	1,723,362
Economic development	76,769	39,310	36,342		152,421
Public safety	53,139	154,535	28		207,702
Transportation	69,650		8,700		78,350
Comprehensive support	190,512		922		191,434
Miscellaneous				3,414	3,414
Capital outlays - leases			17,930		17,930
Total expenditures	1,878,872	406,504	83,944	5,293	2,374,613
Excess (deficiency) of revenues over expenditures	30,949	(56,612)	(73,124)	3,022	(95,765)
Other financing sources (uses):					
Bonds and notes issued			96,800		96,800
Redemption of bond anticipation notes			(20,000)		(20,000)
Lease participation certificates issued			43,939		43,939
Decrease in reappropriations	17,068				17,068
Adjustments-prior year transactions	8,850				8,850
Collection of loans	6,300				6,300
Residual equity transfers	4,722				4,722
Transfers from reserves (net)	34,949				34,949
Interfund transfers (net)	(122,494)	21,933	(30,502)	(3,381)	(134,444)
Other	6,078		(840)		5,238
Total other financing sources (uses)	(44,527)	21,933	89,397	(3,381)	63,422
Increase (decrease) in fund balance	(13,578)	(34,679)	16,273	(359)	(32,343)
Fund balance, July 1	13,578	393,209	29,411	1,597	437,795
Fund balance, June 30	$	$ 358,530	$ 45,684	$ 1,238	$ 405,452

The accompanying notes are an integral part of this financial statement.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit III

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - UNIVERSITY AND COLLEGES - ALL GOVERNMENTAL FUND TYPES

For the Fiscal Year Ended June 30, 1990

(Expressed in thousands)

	University of Rhode Island (C-5)	Rhode Island College (C-8)	Community College of Rhode Island (C-11)	Total (memorandum only)
Revenues:				
Student tuition and fees	$ 44,118	$ 13,642	$ 10,390	$ 68,150
Federal appropriations		23		23
Grants, gifts, and student aid:				
Federal	31,095	4,751	3,349	39,195
State	2,689	1,675	1,303	5,667
Private	4,926		291	5,217
State asset protection	576	238	186	1,000
Educational activities		809		809
Auxiliary enterprises	28,466	6,120	3,094	37,680
Investment income			312	312
Other sources	7,780	832	744	9,356
Total revenues	119,650	28,090	19,669	167,409
Expenditures:				
Personnel services	109,891	41,840	31,435	183,166
Operating:				
Cost of sales	5,662	2,063	2,184	9,909
Out of state travel	612	100	29	741
Repairs	2,349	1,905	671	4,925
Utilities	4,975	1,340	1,395	7,710
Other	15,386	5,233	3,281	23,900
Sponsored programs	26,106		2,089	28,195
Student aid	10,464	4,893	3,330	18,687
Capital	6,959	2,088	859	9,906
Bond issuance costs	259	273	72	604
Debt service:				
University and colleges obligations	1,030	240	173	1,443
State obligations	1,949	786	1,334	4,069
Total expenditures	185,642	60,761	46,852	293,255
Excess (deficiency) of revenues over expenditures	(65,992)	(32,671)	(27,183)	(125,846)
Other financing sources (uses):				
State appropriations	69,331	31,917	27,932	129,180
Proceeds of bond issuance	8,367	7,793	2,430	18,590
Proceeds from sale of building		526		526
Acquisition of land and building through capital lease			(2,000)	(2,000)
Operating transfers in:				
Mandatory	2,539	244	514	3,297
Non-mandatory		526		526
Operating transfers out:				
Mandatory	(2,215)	(244)	(514)	(2,973)
Non-mandatory	(323)	(526)		(849)
Total other financing sources (uses)	77,699	40,236	28,362	146,297
Excess of revenues and other financing sources over expenditures and other financing uses	11,707	7,565	1,179	20,451
Fund balances, July 1	22,312	5,657	1,669	29,638
Fund balances, June 30	$ 34,019	$ 13,222	$ 2,848	$ 50,089

The accompanying notes are an integral part of this financial statement.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit IV

COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS

For the Fiscal Year-Ended June 30, 1990

(Expressed in thousands)

	Proprietary Fund Types		Fiduciary Fund Types		
	Enterprise (E-2)	Internal Service (F-2)	Pension Trust (G-2)	Nonexpendable Trust (G-3)	Total (Memorandum Only)
Operating revenues:					
Charges for services	$ 139,438	$ 77,064	$	$ 12	$ 216,514
Interest on loans and investment income	179,929		174,986	200	355,115
Contributions			190,496		190,496
Other operating revenues	1,226		15		1,241
Total operating revenues	320,593	77,064	365,497	212	763,366
Operating expenses:					
Personal services	41,445	11,818			53,263
Supplies, materials, and services	50,797	63,327	4,826		118,950
Interest expense	155,061				155,061
Grants, scholarships and contract programs	15,787			33	15,820
Prize awards	29,297				29,297
Depreciation, depletion and amortization	15,056	1,324			16,380
Benefit payments			147,799		147,799
Other operating expenses	5,280			78	5,358
Total operating expenses	312,723	76,469	152,625	111	541,928
Operating income	7,870	595	212,872	101	221,438
Nonoperating revenues (expenses):					
Interest revenue	19,834	20			19,854
Grants	1,015				1,015
Gain on sale of property	213				213
Interest expense	(17,072)	(379)			(17,451)
Other nonoperating revenues (expenses)	(1,046)				(1,046)
Total nonoperating revenues (expenses)	2,944	(359)			2,585
Income before transfers	10,814	236	212,872	101	224,023
Operating transfers in (out)	1,899	(79)	(1,360)		460
Residual equity transfers in (out)	(3,897)	(822)			(4,719)
Increase in contributed capital	15,514				15,514
Additions to provision for maintenance	(5,030)				(5,030)
Net increase (decrease) in fund equity	19,300	(665)	211,512	101	230,248
Fund equity, July 1	450,968	1,410	1,939,639	2,285	2,394,302
Prior period adjustment	(1,990)				(1,990)
Fund equity, July 1, restated	448,978	1,410	1,939,639	2,285	2,392,312
Fund equity, June 30	$ 468,278	$ 745	$ 2,151,151	$ 2,386	$ 2,622,560

The accompanying notes are an integral part of this financial statement.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit V

COMBINED STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS

For the Fiscal Year Ended June 30, 1990

(Expressed in thousands)

	Proprietary Fund Types		Fiduciary Fund Types		
	Enterprise (E-3)	Internal Service (F-3)	Pension Trust (G-5)	Nonexpendable Trust (G-6)	Total (Memorandum Only)
Cash flows from operating activities:					
Cash received from customers	$ 356,236	$ 78,219	$ 213,696	$	$ 648,151
Cash receipts from grants	499	155			654
Cash payments to suppliers for goods and services	(60,722)	(63,670)	(2,785)		(127,177)
Cash payments to employees for services	(35,181)	(11,765)	(46)		(46,992)
Cash payments to retirees and survivors			(147,799)		(147,799)
Loans issued	(218,977)				(218,977)
Cash payments for grants	(21,420)				(21,420)
Other operating revenue	11,579	1,066	586	12	13,243
Other operating expenses	(41,727)		(9,535)	(81)	(51,343)
Net cash provided by (used for) operating activities	(9,713)	4,005	54,117	(69)	48,340
Cash flows from noncapital financing activities:					
Proceeds from sale of revenue bonds and notes	294,988				294,988
Proceeds from notes payable	519				519
Payment of bonds and notes	(335,822)				(335,822)
Interest paid on bonds and notes	(135,945)				(135,945)
Loans issued	(200)				(200)
Advances from other funds		450			450
Repayment of advances from other funds		(600)			(600)
Collection of loans and mortgages	2,594				2,594
Operating grants	41,340	289			41,629
Operating transfers-out to other funds	(31,954)	(286)	(1,510)		(33,750)
Cash overdraft	1,507				1,507
Other receipts	2,339		151		2,490
Other disbursements	(1,893)				(1,893)
Net cash provided by (used for) noncapital financing activities	(162,527)	(147)	(1,359)		(164,033)
Cash flows from capital and related financing activities:					
Principal paid on revenue bonds	(65,164)				(65,164)
Proceeds from sale of bonds and notes	170,613				170,613
Interest paid on revenue bonds	(28,452)				(28,452)
Payment of notes and loans	(10,000)				(10,000)
Acquisition of capital assets	(90,730)				(90,730)
Contributed capital	2,592				2,592
Proceeds from sale of equipment	1,419				1,419
Other	(6,394)	(1,792)			(8,186)
Net cash provided by (used for) capital and related financing activities	(26,116)	(1,792)			(27,908)
Cash flows from investing activities:					
Purchase of investment securities	(3,882,193)		(1,502,098)		(5,384,291)
Proceeds from sale and maturities of investment securities	4,230,673		1,251,303		5,481,976
Interest on investments	101,750	20	136,705	205	238,680
Net cash provided by (used for) investing activities	450,230	20	(114,090)	205	336,365
Net increase (decrease) in cash and cash equivalents	251,874	2,086	(61,332)	136	192,764
Cash and cash equivalents, July 1, 1989	182,482	6,587	401,332	1,494	591,895
Cash and cash equivalents, June 30, 1990	$ 434,356	$ 8,673	$ 340,000	$ 1,630	$ 784,659

Exhibit V

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINED STATEMENT OF CASH FLOWS (Continued)
ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS

For the Fiscal Year Ended June 30, 1990

(Expressed in thousands)

	Proprietary Fund Types		Fiduciary Fund Types		
	Enterprise (E-3)	Internal Service (F-3)	Pension Trust (G-5)	Nonexpendable Trust (G-6)	Total (Memorandum Only)
Reconciliation of operating income to net cash provided by operating activities:					
Operating income	$ 7,870	$ 595	$ 212,872	$ 101	$ 221,438
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:					
Depreciation and amortization	16,379	1,324			17,703
Interest on investments and other income	(78,103)		(174,140)	(200)	(252,443)
Interest expense	154,026				154,026
Landfill post closure costs	5,144				5,144
Change in assets and liabilities:					
(Increase) decrease in accounts, loans and contributions receivable	(121,514)	1,348	12,819		(107,347)
(Increase) in inventory	(179)	(684)			(863)
(Increase) in deferred bond issuance costs	(3,331)				(3,331)
Decrease in other assets	2,316				2,316
Increase (decrease) in vouchers and accounts payable and other liabilities	(1,120)	1,355	2,565	30	2,830
Increase in accrued expenses	1,212	67	1		1,280
Increase in escrow deposits	8,410				8,410
Decrease in deferred revenue	(880)				(880)
Prior period adjustments	57				57
Total adjustments	(17,583)	3,410	(158,755)	(170)	(173,098)
Net cash provided by (used for) operating activities	$ (9,713)	$ 4,005	$ 54,117	$ (69)	$ 48,340

The accompanying notes are an integral part of this financial statement.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit VI

STATEMENT OF GENERAL REVENUES, EXPENDITURES, AND CHANGES IN AVAILABLE FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND *

For the Fiscal Year Ended June 30, 1990

(Expressed in thousands)

	Legislative enacted			
	Original budget	Amended budget	Actual	Variance-amended budget favorable ** (unfavorable)
General revenues:				
Taxes	$ 1,299,897	$ 1,215,156	$ 1,222,796	$ 7,640
Licenses and fees	18,018	19,067	18,913	(154)
Fines and penalties	13,146	12,268	9,929	(2,339)
Sales and services	114,664	112,838	111,563	(1,275)
Miscellaneous revenue	11,513	10,710	7,763	(2,947)
Total general revenues	1,457,238	1,370,039	1,370,964	925
General expenditures:				
Mental Health, Retardation and Hospitals	211,811	211,647	206,808	4,839
Health	25,644	25,284	24,832	452
Human Services	263,356	278,393	274,944	3,449
Corrections	71,084	75,726	74,016	1,710
Elementary and Secondary Education	376,273	375,592	374,853	739
State Library Services	4,695	4,714	4,584	130
Labor	4,171	4,558	4,478	80
Environmental Management	37,622	35,347	34,864	483
Business Regulation	3,637	3,562	3,455	107
Transportation	74,303	74,601	73,583	1,018
Executive	40,538	36,132	35,198	934
State	3,285	3,422	3,360	62
Attorney General	8,632	8,632	8,358	274
Treasury	2,436	2,428	2,204	224
Administration	89,652	74,277	74,283	(6)
Legislative	12,801	12,754	11,312	1,442
Judicial	30,131	32,499	31,789	710
Other Commissions and Agencies	15,210	12,980	12,695	285
General	474	7,094	7,094	
Special Legislative Appropriations	29	942	942	
Economic Development	6,780	6,441	5,865	576
Elderly Affairs	12,634	12,111	11,984	127
Children and Their Families	63,644	64,241	63,711	530
Higher Education	4,273	3,417	3,096	321
Workers' Compensation	1,497	23		23
Total general expenditures	1,364,612	1,366,817	1,348,308	18,509
Excess of general revenues over general expenditures	92,626	3,222	22,656	19,434
Other financing sources (uses):				
Operating transfers in	2,500	2,900	3,370	470
Operating transfers out	(145,216)	(142,077)	(141,063)	1,014
Transfers from state lottery fund	24,242	25,620	27,219	1,599
Transfers from reserves (G.L. 35-3)		37,045	32,062	(4,983)
Transfer to reserves (G.L. 35-3)	(5,600)	(600)	(600)	
Transfers from restricted revenue accounts		6,344	5,963	(381)
Transfers from other funds		982	982	
Residual equity transfers		4,722	4,722	
Repayment of loans		6,300	6,300	
Prior year expenditure refunds and adjustments		7,878	7,946	68
Appropriations carried forward from fiscal year ended June 30, 1989	18,930	18,886	18,886	
Appropriations carried forward to fiscal year ending June 30, 1991			(2,021)	(2,021)
Total other financing sources (uses)	(105,144)	(32,000)	(36,234)	(4,234)
Decrease in available fund balance	$ (12,518)	$ (28,778)	$ (13,578)	$ 15,200

* This exhibit reflects only the General Fund. Refer to Exhibit VII for University and College funds. Special Revenue funds do not have legislative enacted budgets.

** A favorable variance indicates that actual revenues are greater than amended budget or actual expenditures are less than amended budget. An unfavorable variance indicates that actual revenues are less than amended budget or actual expenditures are greater than amended budget.

The accompanying notes are an integral part of this financial statement.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit VII

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND ENCUMBRANCES - BUDGET AND ACTUAL - UNIVERSITY AND COLLEGES - GENERAL EDUCATIONAL FUNDS

For the Fiscal Year Ended June 30, 1990

(Expressed in thousands)

	Budget			Variance - Board of Governors favorable ** (unfavorable)
	Executive/ legislative as enacted	Board of Governors for Higher Education - final allocation	Actual	
Revenues:				
Student tuition and fees	$ 60,733	$ 66,517	$ 67,573	$ 1,056
Indirect costs recovered	6,211	6,686	7,039	353
Other sources	7,040	7,783	7,820	37
Total revenues	73,984	80,986	82,432	1,446
Expenditures and encumbrances:				
Personnel services	152,168	160,831	159,669 *	1,162
Operating:				
Out of state travel	324	395	326 *	69
Repairs	4,624	3,543	3,622 *	(79)
Utilities	5,756	5,893	5,990 *	(97)
Other	19,979	18,880	19,016 *	(136)
Workers' compensation	212	314	334 *	(20)
Total operating	30,895	29,025	29,288	(263)
Student aid	8,930	9,173	9,181 *	(8)
Capital	8,585	5,726	7,231 *	(1,505)
Debt service	4,181	4,181	4,069	112
Academic college overhead	2,030	2,675	2,254	421
Total expenditures and encumbrances	206,789	211,611	211,692	(81)
Excess (deficiency) of revenues over expenditures and encumbrances	(132,805)	(130,625)	(129,260)	1,365
Other financing sources (uses):				
State appropriations	132,817 ***	129,352	129,181	(171)
1989 academic college overhead carryforward			845	845
1989 encumbrances carried forward and cancelled in 1990		1,285	1,285	
Proceeds from sale of land/building			526	526
Operating transfers out:				
Mandatory	(12)	(12)	(42)	(30)
Non-mandatory			(526)	(526)
Excess of revenues and other financing sources over expenditures, encumbrances and other financing uses			2,009	2,009
Allocation to:				
Academic college overhead			(917)	(917)
Designated for subsequent year's expenditures			(1,113)	(1,113)
Excess (deficiency) of revenues and other financing sources over expenditures, encumbrances and other financing uses after allocations	$	$	$ (21)	$ (21)

* Includes year end encumbrances.

** A favorable variance indicates that actual revenues are greater than budget or actual expenditures and encumbrances are less than budget. An unfavorable variance indicates that actual revenues are less than budget or actual expenditures and encumbrances are greater than budget.

*** During the fiscal year, the State imposed budget recisions upon certain agencies. The University and Colleges' share of such recisions amounted to $4,083,028.

The accompanying notes are an integral part of this financial statement.

Note 1. Summary Of Significant Accounting Policies

A. Basis of Presentation

The accompanying general purpose financial statements have been prepared in conformance with generally accepted accounting principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB).

The general purpose financial statements include all funds and account groups of the State of Rhode Island and Providence Plantations (the "state") as well as agencies, boards, commissions, public benefit corporations and other organizational entities for which the state has oversight responsibility, or for which financial interdependency exists. The state university and colleges meet these criteria and have been included in the combined financial statements. A list of other entities meeting these criteria is contained in Note 12. The Rhode Island Health and Educational Building Corporation is not included in the reporting entity because it does not meet the criteria of interdependency and oversight.

The general purpose financial statements have been prepared from accounts maintained by the State Controller and from reports prescribed by the State Controller and prepared by agencies, boards, commissions, public benefit corporations and other entities based on independent accounting systems maintained by those entities.

The state uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

The state records its transactions in the fund types and account group described below.

Governmental Fund Types

General - is the general operating fund of the state and is used to account for all financial transactions except those required to be accounted for in another fund. Included within this fund are the operations of most jointly financed state - federal programs.

Special Revenue - is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes and where a separate fund is mandated.

Capital Projects - is used to account for the proceeds of general obligation bonds, related federal funds, and the proceeds of lease participation certificates used to finance the acquisition or construction of capital projects other than those accounted for in proprietary and university and college funds.

Proprietary Fund Types

Enterprise - is used to account for activities that are financed and operated in a manner similar to private business enterprises (1) where the costs of providing goods or services to the general public on a continuing basis are to be financed or recovered through user charges; or (2) where the periodic determination of revenues earned, expenses incurred and/or net income is appropriate. Segment information relative to enterprise funds is presented in Note 12.

Internal Service - is used to account for the financing and providing of specified goods and services, on a centralized basis, for other departments and agencies.

Fiduciary Fund Types

Trust and Agency - is used to account for transactions related to assets held by the state in a trustee or agency capacity. These include pension trust funds, expendable and non-expendable trust funds, and agency funds.

University and College Fund Types

University and College - is used to account for the activities of the state university and colleges. The governmental fund types, which finance most educational functions of the university and colleges include the general educational fund, special revenue funds, debt service funds and capital project funds. In addition, the institutions use fiduciary funds to account for funds held for others and a general long-term debt account group to account for debt.

Account Group

General Long Term Debt Account Group - is used to account for all unmatured general long-term debt other than debt accounted for in the proprietary and university and college fund types.

B. Basis of Accounting

The financial statements of all governmental, expendable trust and agency funds are prepared on the modified accrual basis of accounting.

Revenues and related receivables are recorded in the accounting period that they become both measurable and available, i.e., earned and collected or expected to be collected within the next 12 months. Tax revenues are recorded by the state as taxpayers earn income (personal and business income taxes) or as sales are made (sales and use taxes) or as cash is received (miscellaneous taxes). Estimated refunds of personal and corporate income taxes are not accrued and are payable from revenues of the year in which the refunds are actually paid.

Expenditures and related liabilities are recorded in the accounting period the liability is incurred to the extent it is expected to be paid within the next 12 months, except for vacation and sick pay and interest on general long-term obligations which are recorded when paid.

Unexpended restricted revenues and unexpended general and special appropriations, as reappropriated by the Governor, are carried forward at year end and are available for expenditure in the following year. The amount reappropriated, reflected in the combined balance sheet as part of fund equity, is accounted for as a use of resources in the current year and a source of resources in the subsequent year.

The financial statements of all proprietary funds, pension trust, and non-expendable trust funds are prepared on the accrual basis of accounting. Under this method revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

The financial statements of the university and colleges have been prepared in accordance with the basis of accounting which conforms with generally accepted accounting principles prescribed for state and local governmental units. Such practices differ from generally accepted accounting principles for colleges and universities.

Governmental and fiduciary funds of the university and college fund type are prepared on the modified accrual basis of accounting.

C. Cash and Cash Equivalents

Cash represents amounts in demand deposit accounts with financial institutions. Cash equivalents are highly liquid investments with a maturity of three months or less at the time of purchase.

D. Funds on Deposit with Fiscal Agent

Funds on deposit with fiscal agent include $275,839,797 held by the United States Treasury Department for the payment of unemployment benefits within the special revenue funds.

E. Investments

Investments are stated at cost.

F. Receivables

Receivables are stated net of estimated allowances for uncollectible amounts.

G. Due From Other Governments And Agencies

Due from other governments and agencies represent principally amounts owed to the state in reimbursement of federal expenditures.

H. Due from/to Other Funds

During the course of operations, numerous transactions occur between individual funds. These interfund receivables and payables are classified as "due from other funds" or "due to other funds" in the combined balance sheet.

I. Inventories

Inventory type items acquired by governmental funds are accounted for as expenditures at the time of purchase.

Inventories of the university and college funds, such as bookstore, dining, health and residential life services items are stated at the lower of cost or market.

Inventories of the proprietary funds are stated at cost.

J. Deferred Compensation Held By Insurance Companies

Investments related to deferred compensation programs are carried at market value in the combined balance sheet. An identical amount is recorded under liabilities as a due to state employees - deferred compensation plan.

K. Fixed Assets

The cost of fixed assets acquired by governmental funds and the university and college funds is accounted for as an expenditure upon purchase.

A statement of general fixed assets is not included herein since the information required to prepare such a statement has not been fully developed.

The cost of fixed assets used by the enterprise funds is capitalized and depreciation is provided on a straight line basis over the estimated useful lives of the assets, except that the R.I. Turnpike and Bridge Authority provides no depreciation in accordance with the specific provisions of the trust agreement governing its operations, but instead provides amounts, based upon the recommendation of consulting engineers for non-annually recurring expenses.

Fixed assets used in the operation of internal service funds are generally financed by state appropriations to the user departments and agencies. Accordingly, the cost of these assets and related depreciation is not reflected in the financial statements of those internal service funds. However, certain internal service funds have used capital leases to finance certain assets. Since the lease costs are recovered through service charges, such assets and related debt have been accounted for within the internal service funds. These assets are depreciated over their estimated useful lives.

L. Other Assets

The cost of licensed landfill acreage and sludge area is computed over the estimated useful capacity of the site. Depletion of mineral deposits is computed at cost based on the amount sold or used internally.

Acquisition and financing costs associated with the development of proposed recovery facilities by the R.I. Solid Waste Management Corporation have been deferred as they may be recoverable from future revenues.

The Convention Center Authority has deferred all operating expenses and consulting and professional fees incurred through June 30, 1990. Once the authority commences operations, these deferred development costs will be amortized over a period of approximately 5 years except for deferred financing and legal fees, which will be amortized over the life of the bonds issued to finance the facility.

M. Rentals Due

Rentals due for payment of principal and current interest on revenue bonds represent amounts due as required under several lease arrangements relating to capital projects.

N. Unexpended Funds

Unexpended funds represent bond proceeds of certain proprietary funds that have not yet been expended.

O. Bond Discounts/Issuance Costs

In governmental fund types, bond proceeds are recorded net of bond discounts and issuance costs are recognized in the current period. Bond discounts and issuance costs for proprietary fund types are generally deferred and amortized over the term of the bonds using either the straight-line or interest method. Bond discounts are presented as a reduction of the face amount of bonds payable.

P. Obligations Under Capital Leases

The construction of certain state office buildings, campus facilities and other public facilities, as well as certain equipment acquisitions, have been financed through bonds and notes issued by the R.I. Public Buildings Authority, the Convention Center Authority, or by a trustee pursuant to a master lease/purchase agreement with the state (see note 4).

Q. Accrued Liabilities

Accrued liabilities generally represent accrued interest payable in the proprietary fund types and accrued salary and fringe benefits in the governmental fund types.

R. Fund Equity

Contributed capital is recorded in proprietary funds that have received capital grants or contributions from the federal or state governments. Depreciation expense is recognized on assets acquired or constructed with these funds. Certain funds record transfers from contributions in aid of construction to retained earnings in an amount equal to the annual depreciation charge.

Reserved fund balances represent amounts which are not available for appropriation or which are legally reserved for a specific purpose.

Fund balances reserved for encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting - under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of available resources - is utilized in certain funds.

Designated fund balances represent amounts segregated to indicate management's plan for future use of financial resources.

S. Residual Equity Transfers

Residual equity transfers are nonrecurring transfers of equity between individual funds.

T. Budget and Actual

The general fund is the only fund that has a legislative enacted budget. The budget is adopted on a basis consistent with generally accepted accounting principles. Exhibit VI compares budgeted and actual general revenues, expenditures, and changes in fund balance. The original legislative enacted budget reflects the budget passed by the General Assembly and signed by the Governor, and reappropriations made by the Governor at June 30, 1989.

The amended budget reflects revisions to revenue estimates, supplemental appropriations for the fiscal year, and certain special appropriations enacted by the General Assembly in the 1989 and 1990 sessions. The amended budget also reflects appropriations withdrawn by the General Assembly. During the fiscal year ended June 30, 1990 the Governor suspended certain departmental appropriations in anticipation of a revenue shortfall. These suspended appropriations, subsequently lapsed by the Governor, are not reflected in the amended budget column but contribute to favorable variances when comparing the amended budget to actual amounts.

Expenditures reported on Exhibit VII - Combined Statement of Revenues, Expenditures, and Encumbrances - Budget and Actual - University and Colleges - General Educational Funds include encumbrances at year end.

U. Memorandum Only - Total Columns

Total columns on the general purpose financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present results of operations in conformity with generally accepted accounting principles, nor are such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

V. Vacation and Sick Pay

Unpaid accumulated vacation and sick pay are not accrued. Vacation pay may be discharged, subject to limitations as to carry-over from year to year, by future paid leave or by cash payment upon termination of service. Sick pay may be discharged by payment for an employee's future absence caused by illness or, to the extent of vested rights, by cash payment upon death or retirement. The determination of the amount of these accumulations has not been completed, and accordingly, no liability has been recorded in the accompanying combined balance sheet.

W. Accounting Changes and Reclassifications

In fiscal 1990, personal income taxes and sales taxes were accrued if earned by June 30 and received by August 20; in prior years, the accruals were limited to taxes received by July 10 (personal income taxes) and July 31 (sales taxes). In fiscal 1990, inheritance taxes were accrued based on cash received through August 20 for reports of taxable events that occurred by June 30, 1990; previously such taxes were recognized as received. These changes increased fiscal 1990 general revenues by approximately $14,900,000.

The state has adopted GASB Statement No. 9 - "Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting". Accordingly, a Statement of Cash

Flows is presented for proprietary and nonexpendable trust funds. This statement replaces the Statement of Changes in Financial Position.

The state has adopted a new accounting policy regarding classification of certain highly liquid investments with a maturity of three months or less at the time of purchase as cash equivalents. Amounts reported in the Statement of Cash Flows as beginning cash and cash equivalents have been restated to conform to this presentation.

The state has changed its accounting policy regarding the carrying value of long-term fixed income securities held as investments. These investments are recorded at cost. Previously they were carried at par value. The beginning fund balances of the Employees' Retirement Fund and the Municipal Employees' Retirement Fund have been restated by $6,459,464 and $177,896, respectively, to reflect the write-down of these investments to cost.

The state has changed its accounting policy for recording investment transactions from the settlement date basis to trade date basis.

Trust and agency funds have been reclassified to segregate these funds into the following categories:

> Pension Trust Funds - includes Employees' and Municipal Employees' Retirement Funds
>
> Non-expendable Trust Funds - funds where principal cannot be used to finance current expenses - includes the Touro Jewish Synagogue and the Permanent School Funds.
>
> Expendable Trust Funds - accounted for in a manner similar to governmental funds - includes the Unclaimed Property Fund, the Violent Crimes Indemnity Fund, the R.I. Veteran's Home Fund, the Real Estate Recovery Fund and the Custodial Fund.
>
> Agency Fund - the Payroll and Pension Clearing Fund is accounted for as an agency fund.

Pension trust and non-expendable trust funds are reported on the accrual basis of accounting. Previously these funds were presented on the modified accrual basis. Fund balances at the beginning of the period for the Employees' Retirement Fund and the Municipal Employees' Retirement Fund have been increased by $41,738,070 and $4,048,887, respectively, to reflect the change to the accrual basis of accounting.

Operating results for the pension trust funds and non-expendable trust funds are presented with the proprietary fund types. Operating statements for expendable trust funds are presented with governmental fund types. An operating statement is not presented for the agency fund. Amounts previously reported as fund balance in the agency fund have been transferred to the general fund.

Certain actuarial assumptions used in computing contributions to the Employees' Retirement System and the pension benefit obligation of the system were changed effective with the actuarial valuation performed as of June 30, 1989. The State also changed its method of amortizing the unfunded frozen actuarial liability of the Employees' Retirement System effective in fiscal 1990 (See Note 9 - Pension Plans).

The state has recognized its proportionate share of lease obligations to the Convention Center Authority within the General Long-Term Debt Account Group. The amount reflected at June 30, 1990 represents the state's share (50%) of the Authority's outstanding debt. Amounts reported for the prior period have been restated to reflect this liability (See Note 4 - Long-term Obligations and Note 15 - Subsequent Events).

The reporting entity has been expanded to include the Rhode Island Partnership for Science and Technology within the enterprise funds.

Component units previously reported within the column "Public Authorities and Corporations" are reported with the enterprise funds.

Certain interfund operating transactions previously accounted for as revenues or expenditures have been reclassified as operating transfers in (out).

X. Adjustments to Beginning Fund Balance

Certain investment securities, held within the pension trust funds, were transferred between investment manager accounts at market value rather than at historical cost during fiscal 1989. Net capital gains totaling $25,194,823 were incorrectly reflected in fiscal 1989 investment income. Fund balances at July 1, 1989 of the Employees' Retirement Fund and Municipal Employees' Retirement Fund have been retroactively restated by $21,294,195 and $3,900,628, respectively.

Note 2. Cash Deposits And Investments

Cash Deposits

At June 30, 1990, the carrying amount of the state's cash deposits was $315,898,000 and the bank balance was $308,306,000. Of the bank balance, $101,625,000 was covered by federal depository insurance and $7,319,000 was covered by a private insurance fund, Rhode Island Share and Deposit Indemnity Corporation (See Note 15 - Subsequent Events). The remaining amount, $199,362,000, was uninsured and uncollateralized. The carrying amount and the bank balance include $216,052,000 of certificates of deposit and $24,955,000 of eurodollar certificates of deposit.

Investments

The state's investments, expressed in thousands, are categorized in the following table to give an indication of the level of risk assumed by the entity at June 30, 1990.

- Category 1 includes investments that are insured or registered or for which the securities are held by the state or its agent in the state's name.
- Category 2 includes uninsured and unregistered investments for which the securities are held by the financial institution's, broker's or dealer's trust department or agent in the state's name.
- Category 3 includes uninsured and unregistered investments for which the securities are held by the financial institution, broker or dealer; or investments held by the financial institution's, broker's or dealer's trust department or agency but not in the state's name.

	Category			Carrying Amount	Market Value at June 30, 1990
	1	2	3		
U.S. Government Securities and U.S. Government Agency Securities	$ 874,054	$ 515,371	$ 4,086	$ 1,393,511	$ 1,443,367
Commercial Paper		18,904	69,717	88,621	88,621
Repurchase Agreements	112,648	167,423	35,200	315,271	315,271
Corporate Bonds and Notes	94,395			94,395	90,331
Equity Securities	848,221			848,221	1,217,367
Investment Agreements			116,033	116,033	116,033
Municipal Bonds	13,000			13,000	12,823
Foreign Securities	82,851			82,851	84,119
Other	105,794		622	106,416	106,892
	$ 2,130,963	$ 701,698	$ 225,658	$ 3,058,319	$ 3,474,824
Money Market Funds				134,839	134,839
Other				1,273	1,273
				$ 3,194,431	$ 3,610,936

The carrying amount of investments of the general fund ($9,183,092) exceeds their market value at June 30, 1990 ($8,692,644) by $490,448.

Note 3. Receivables

Receivables at June 30, 1990, expressed in thousands, consist of the following:

	General	Special Revenue	University and Colleges	Capital Projects	Enterprise	Internal Service	Trust and Agency
Receivables:							
Taxes	$ 91,976	$ 5,998	$	$	$	$	$
Accounts	17,906	2,266	13,233	66	17,418	1,011	58
Accrued Interest			36		27,000		23,646
Notes and Loans			12,096		1,213,280		
Contributions							20,176
Gross Receivables	109,882	8,264	25,365	66	1,257,698	1,011	43,880
Less: Allowance for Uncollectible and Unavailable Amounts	14,706	1,175	2,219		2,059		
Net Total Receivables	$ 95,176	$ 7,089	$ 23,146	$ 66	$ 1,255,639	$ 1,011	$ 43,880

Enterprise Funds

Loans receivable of the R.I. Housing and Mortgage Finance Corporation are secured by a first lien on real and personal property and, in some instances, are federally insured. Loans receivable of the R.I. Student Loan Authority are insured by the R.I. Higher Education Assistance Authority, which in turn has a reinsurance agreement with the federal government. Loans receivable of the R.I. Refunding Bond Authority represent amounts borrowed by the state to advance refund certain bonds of the state (See Note 4).

Note 4. Long-Term Obligations

Long-term obligations include bonds, notes and loans payable, obligations under capital leases, and arbitrage rebate payable

Bonds Payable

Bonds payable, expressed in thousands, at June 30, 1990 are summarized as follows:

General Obligation Bonds:		
Current interest bonds	$ 298,995	
Capital appreciation bonds	41,698	
Accreted interest	3,403	$ 344,096
Revenue Bonds of the University and Colleges:		
University of Rhode Island	14,044	
Rhode Island College	10,123	
Community College of Rhode Island	2,821	26,988
Bonds of Enterprise Funds:		
(Net of bond discount and premium)		
R.I. Housing and Mortgage Finance Corporation	1,491,722	
R.I. Student Loan Authority	222,929	
R.I. Turnpike and Bridge Authority	46,040	
Blackstone Valley District Commission	16,755	
R.I. Solid Waste Management Corporation	164,424	
R.I. Public Buildings Authority	204,675	
Narragansett Bay Water Quality Management District Commission	7,170	
R.I. Refunding Bond Authority	15,570	
R.I. Water Resources Board Corporate	11,685	$ 2,180,970
		$ 2,552,054

General obligation bonds, revenue bonds of the university and colleges, and revenue bonds of the enterprise funds, mature as follows (expressed in thousands):

Fiscal Year Ending	General Obligation	University and Colleges	Enterprise	Total
1991	$ 35,024	$ 572	$ 110,414	$ 146,010
1992	31,270	1,311	59,655	92,236
1993	30,005	1,402	59,850	91,257
1994	26,329	1,500	58,015	85,844
1995	23,895	1,608	66,830	92,333
Thereafter	194,170	20,595	1,829,982	2,044,747
	340,693	26,988	2,184,746	2,552,427
Accreted Interest	3,403			3,403
	$ 344,096	$ 26,988	$ 2,184,746	$2,555,830

Current interest bonds of the state are serial bonds with interest payable semi-annually. Capital appreciation bonds are designated as College and University Savings Bonds. The College and University Savings Bonds mature in varying amounts to 2009 with all interest payable at maturity. Accreted interest on capital appreciation bonds represents the increase in the state's obligation at June 30, 1990 to holders of the state's capital appreciation bonds.

Revenue bonds of the university and colleges were issued under trust indentures and are collateralized by a pledge of revenues from the facilities financed. The facilities include housing, student union (including bookstores) and dining operations. Under terms of the trust indentures, certain net revenues from these operations must be transferred to the trustees for payment of interest, retirement of bonds, and maintenance of facilities. The bonds are payable in annual or semi-annual installments to various maturity dates. Revenue bonds of the university and colleges also include amounts borrowed under a loan and trust agreement between the R.I. Health and Educational Building Corporation (RIHEBC) and the Board of Governors for Higher Education acting for URI, RIC, and CCRI. The agreement provides for RIHEBC's issuance of the bonds with a loan of the proceeds to the university and colleges and the payment by the university and colleges to RIHEBC of loan payments that are at least equal to debt service on the bonds. The bonds are secured by a pledge of revenues of the respective institutions.

Bonds of the R.I. Housing and Mortgage Finance Corporation are special obligations of the Corporation, payable from the revenue, prepayments and all the funds and accounts pledg~~ed under~~ the various bond resolutions to the holders of the bonds. The proceeds of the bonds were generally used to acquire mortgage loans which are secured principally by a first lien upon real property and improvements.

The R.I. Student Loan Authority issued tax exempt Variable Rate Student Loan Revenue Bonds with a face value of $223,600,000. Interest is payable monthly at variable rates. The bonds are due December 1, 2005. The bonds, secured by student loans, restricted funds and all related income, are guaranteed by an irrevocable letter of credit issued by the Student Loan Marketing Association which expires on December 21, 1993.

The revenue bonds of the R.I. Turnpike and Bridge Authority ($46,040,000) include bonds guaranteed by the state ($31,000,000) and term bonds ($15,040,000) that require sinking fund payments for the next five years as follows: 1991 - $900,000; 1992 - $950,000; 1993 - $1,000,000; 1994 - $1,050,000; and 1995 - $1,100,000. During the fiscal year ended June 30, 1990 the Authority redeemed $1,145,000 of revenue bonds and realized a gain on redemption of $134,038.

Bonds of the Blackstone Valley District Commission are general obligations of the state, however, debt service is recovered through charges levied by the Commission for services provided to users of its facilities.

The R.I. Solid Waste Management Corporation had outstanding Solid Waste Disposal Revenue Bonds of $164,423,585 at June 30, 1990, consisting of:

$580,000, Series A, 11.2%, maturing in 1991.

$1,043,585, Series B, 6.75% with maturities from 1990 to 1991.

$160,000,000, weekly adjustable/fixed rate, with maturities from 1994 to 2008.

$900,000, Central Landfill Garage Project, interest rates from 5.1% to 7.125% with maturities from 1990 to 1993.

$1,900,000, Materials Recovery Facility Project, 9.25%, with maturities from 1990 to 1992.

The weekly adjustable/fixed rate bonds ($160,000,000) are guaranteed by an irrevocable letter of credit issued by a bank, which expired on December 15, 1990 and was subsequently extended to December 15, 1991.

Revenue bonds of the R.I. Public Buildings Authority are secured by lease rentals payable by the state pursuant to lease agreements relating to projects financed by the authority and leased to the state (see Obligations under Capital Leases). Proceeds from the R.I. Public Buildings Authority bonds have been used to finance construction and renovation of certain buildings and acquisition of equipment used by various state agencies. The authority has eight series of revenue bonds outstanding amounting to $208,450,000 less unamortized discount of $3,775,066. These bonds have interest rates ranging from 4.0% to 10.5% and mature at various dates through the year 2010.

Bonds of the Narragansett Bay Water Quality Management District Commission represent the Commission's portion of the state's general obligation bonds. Debt service on the Commission's portion is recovered through changes levied by the Commission for services provided to users of its facilities.

The R.I. Refunding Bond Authority has outstanding, $15,570,000 of revenue bonds. The proceeds of these bonds were used to loan funds to the state to effect the advance refunding of general obligation bonds issued by the state in 1984.

Bonds of the R.I. Water Resources Board Corporate were issued to finance the construction of certain water facilities leased to and operated by the City of Providence.

The R.I. Industrial Facilities Corporation has issued in aggregate $651,901,300 of revenue bonds, equipment acquisition notes, and construction loan notes to finance various capital expenditures for Rhode Island business entities. The bonds and notes issued by the corporation are not general obligations of the corporation and are payable solely from the revenues derived from the related projects. They neither constitute nor give rise to a pecuniary liability for the corporation nor do they represent a charge against its general credit. Under the terms of the various indentures and related loan and lease agreements, the business entities make loan and lease payments directly to the trustees of the related bond and note issues in amounts equal to interest and principal payments due on the respective issues. The payments are not shown as receipts and disbursements of the corporation.

At June 30, 1990, the following bonds were authorized but unissued: general obligation bonds to finance capital projects $423,754,913; bonds for enterprise funds $93,814,000, including $80,000,000 for the R.I. Industrial-Recreational Building Authority, $8,255,000 for the Blackstone Valley District Commission and $5,559,000 for the Narragansett Bay Water Quality Management District Commission. The amount of authorized bonds that may be issued by the R.I. Industrial-Recreational Building Authority is limited by mortgage balances that it has insured, $24,498,991 at June 30, 1990.

See Note 8 for information concerning contingent liabilities relating to "Moral Obligation" bonds and Note 15 for bonds issued subsequent to June 30, 1990.

Notes Payable

Notes payable, expressed in thousands, at June 30, 1990 are as follows:

General Obligation Bond Anticipation Notes $66,000,000, 6.5% due August 1, 1990; $10,800,000, 6% due August 1, 1990.	$ 76,800
Convention Center Authority, bond anticipation notes, 6.4% - 9%, due 1991	48,445
R.I. State Waste Management Corporation bond anticipation notes, 6.33%, due 1991	25,000
R.I. Public Buildings Authority; $28,058,076 of project acquisition promissory notes, 10% - 11% due 2007 through 2010; $17,500,000 of bond anticipation notes, 6.125%, due 1991.	45,558
R.I. Higher Education Assistance Authority notes payable to the Student Loan Marketing Association, 1.25% to 1.5% above the Treasury Bill rate, due 1990 - 1995.	1,259
R.I. Public Transit Authority note with interest of 10.5%, payable on demand.	750
Narragansett Bay Water Quality Management District Commission; $2,000,000 note, 6.9%, due 1992; $900,000 grant anticipation note, 6.38%, due 1991; $872,217 mortgage note, interest rate is 81% of prime, payable through 2001.	3,772
	$ 201,584

The R.I. Public Buildings Authority has obtained title to certain land and buildings previously owned by the state in exchange for project acquisition promissory notes. These notes are secured by lease rentals payable by the State of Rhode Island.

The Convention Center Authority notes are payable from the proceeds of the sale of a renewal note or permanent bonds. These notes are secured by all rents receivable under a lease and agreement between the Authority, the State of Rhode Island and the City of Providence covering all property purchased by the Authority for the site, and a mortgage on such property. The lease and agreement, which expires on the final maturity date of the notes or bonds, requires rental payments by the State of Rhode Island and City of Providence equal to the net debt service payments on the notes and all administrative expenses of the Authority not previously financed by operations or by the issuance of notes or bond (See Note 15 - Subsequent Events.)

Loans Payable

The loans payable reflected in the state's general long-term debt account group, $15,340,000, represent amounts borrowed from the R.I. Refunding Bond Authority to effect the advance refunding of certain 1984 general obligation bonds of the state. The obligation of the state to make payments to the R.I. Refunding Bond Authority is subject to and dependent upon appropriations being made by the General Assembly for such purposes.

Loans payable of the enterprise funds represent liabilities of the Narragansett Bay Water Quality Management District Commission to the City of Providence ($6,729,877 at June 30, 1990) and to the R.I. Refunding Bond Authority ($230,000). The amounts due to the city are liabilities assumed by the commission upon the acquisition of the city's sewage treatment facilities. The proceeds of the loan from the R.I. Refunding Bond Authority were used to effect the advance refunding of the commission's share of the state's 1984 general obligation bonds.

Obligations Under Capital Leases

The state has entered into capital lease agreements with the R.I. Public Buildings Authority for construction, acquisition, or renovation of certain public buildings, and acquisition of computer equipment and related software. Under the agreements, the state will pay rent consisting of the following amounts:

1. Semiannual debt service payments required to retire revenue bonds and pay the interest thereon.

2. Note interest expense payable by the authority.

3. Annual administrative expenses of the authority.

4. Any sums necessary to cover construction costs which exceed the proceeds from the sale of initial bonds.

At the end of the lease period, the state may purchase the property for a nominal amount. Purchase may be made at any time prior at an amount sufficient to pay all outstanding bonds and notes and all other obligations incurred in connection with the project plus the sum of $1.00.

The state's obligation to the Convention Center Authority consists of 50 percent of the Authority's outstanding debt at June 30, 1990 based on a lease agreement between the Authority, the State, and the City of Providence in effect at that date. The State and City will make lease payments in an amount sufficient to pay the operating expenses of the Authority and the debt service on its obligations (See Note 15 - Subsequent Events).

The state has also entered into a master lease agreement with a financial institution which has issued seven series of lease participation certificates for the purpose of acquiring capital equipment.

The state has entered into a capital lease agreement with a financial institution which issued $33,000,000 of certificates of participation to finance construction of correctional facilities. These lease participation certificates consist of: (1) $20,365,000 of serial certificates, with interest rates ranging from 5.9% to 7.0%, maturing in various amounts from 1991 through 2005; and (2) $12,635,000 of term certificates, interest at 7%, maturing in 2010.

The state's obligation under capital leases at June 30, 1990 consists of the present value of future minimum lease payments less any funds available in debt service reserve funds. The portion of the state's obligation under capital leases that is payable from general fund appropriations is reflected in the general long-term debt account group at June 30, 1990.

Obligation of the state to make payments under lease agreements is subject to and dependent upon appropriations being made by the General Assembly.

The following is a summary of future minimum lease payments, expressed in thousands, required under capital leases that have initial or remaining noncancelable lease terms in excess of one year as of June 30, 1990:

Fiscal Year Ending June 30	R.I. Public Buildings Authority	Master Lease	Correctional Facilities Lease	Total
1991	$ 39,545	$ 8,085	$ 3,615	$ 51,245
1992	21,746	6,787	3,056	31,589
1993	21,515	5,214	3,054	29,783
1994	21,982	2,355	3,049	27,386
1995	20,840	1,983	3,049	25,872
Later Years	258,193	1,333	45,261	304,787
Total future minimum lease payments	383,821	25,757	61,084	470,662
Less: Amount representing interest	157,871	3,087	28,084	189,042
Present value of future minimum lease payments	$ 225,950	$ 22,670	$ 33,000	$ 281,620

Future minimum lease payments payable to the R.I. Public Buildings Authority for the fiscal year ending June 30, 1991 reflect $17,500,000 of bond anticipation notes that were subsequently refinanced as part of a revenue bond issue dated December 1, 1990 for $54,415,000 (see Note 15).

Arbitrage Rebate Payable

Income on invested bond proceeds, determined to be arbitrage earnings in accordance with federal regulations, have been included in the general long-term debt account group. These amounts are generally payable to the federal government five years after the bond issuance date.

Changes in General Long-Term Debt

During the year ended June 30, 1990, the following changes (expressed in thousands) occurred in liabilities reported in the general long-term debt account group:

	Balance July 1	Additions	Reductions	Balance June 30
General obligation bonds payable:				
Current interest bonds	$ 333,100	$	$ (34,105)	$ 298,995
Capital appreciation bonds	46,373		(4,675)	41,698
Accreted interest on capital - appreciation bonds		3,403		3,403
General obligation bond anticipation notes		96,800	(20,000)	76,800
Lease participation certificates payable	10,330	10,939	(3,301)	17,968
Correctional facilities certificates of participation payable		31,344		31,344
Loan payable to R.I.Refunding Bond Authority	16,870		(1,530)	15,340
Lease obligations to the R.I. Public Buildings Authority	130,492	64,166	(8,162)	186,496
Lease obligations to the Convention Center Authority	17,215	7,008		24,223
Arbitrage rebate payable	705	721		1,426
	$ 555,085	$ 214,381	$ (71,773)	$ 697,693

Defeased Debt

In prior years, the state advance refunded certain general obligation bonds. For those advance refundings, the proceeds of the new bonds were placed in irrevocable trusts to provide for future debt service payments on the defeased bonds. At June 30, 1990, $25,060,000 of general obligation bonds outstanding are considered defeased through advance refundings.

The R.I. Public Buildings Authority has also effected advance refundings of certain revenue bonds. At June 30, 1990, approximately $64,580,000 was in escrow to be used to repay $59,705,000 of defeased bonds.

During the fiscal year ended June 30, 1987, the City of Providence undertook to refund two bond issues for which the Narragansett Bay Water Quality Management District Commission had partial responsibility under an assumption agreement dated May 1, 1982. The commission concurred and participated in the refunding for its share of the outstanding long-term debt. As of June 30, 1990, the commission's share of the defeased bonds which remain outstanding was $5,872,525.

Note 5. Other Reserves-General Fund

The state maintains certain reserves within the general fund in accordance with the general laws. These reserves accumulate in the general fund until withdrawn by statute or used for the intended purposes pursuant to the enabling legislation.

The State Budget Reserve and Cash Stabilization Account is to be used solely for providing funds to offset any unanticipated general fund deficit caused by a general revenue shortfall. During fiscal year 1990, $31,461,705 was transferred from this reserve account to avert a general fund deficit at June 30, 1990.

The Public Facilities Asset Protection Account is designed to provide funds for repairs and capital improvements to state-owned facilities.

The Affordable Housing Reserve Account is to be used solely for the purpose of funding affordable housing rental subsidies. During fiscal year 1990, $600,000 of lottery fund transfers to the General Fund were allocated to this reserve and were subsequently transferred from the reserve in accordance with its purpose.

Other reserves include temporary working capital advances to internal service funds and departmental imprest cash advances. The following table summarizes the activity (in thousands) of these reserve accounts for the fiscal year ended June 30, 1990:

	Reserved Fund Balance July 1, 1989	Additions	Reductions	Reserved Fund Balance June 30, 1990
State Budget Reserve and Cash Stabilization Account	$ 37,375	$	$ (31,462)	$ 5,913
Public Facilities Asset Protection Account	9,146		(3,488)	5,658
Affordable Housing Reserve Account		600	(600)	
Other Reserves	5,629	487	(601)	5,515
Total	$ 52,150	$ 1,087	$ (36,151)	$ 17,086

Note 6. Operating Lease Commitments

The state is committed under numerous operating leases covering real property. Operating lease expenditures totaled approximately $5,200,000 for the fiscal year ended June 30, 1990.

Most of the operating leases contain an option allowing the state, at the end of the initial lease term, to renew its lease at the then fair rental value. In most cases, it is expected that these leases will be renewed or replaced by other leases.

The following is a summary of future minimum rental payments, expressed in thousands, required under operating leases that have initial or remaining lease terms in excess of one year as of June 30, 1990:

Fiscal Year Ending June 30, 1990	
1991	$ 5,407
1992	4,917
1993	4,530
1994	3,362
1995	2,745
Later Years	7,442
Total	$ 28,403

The total minimum payments shown above have not been reduced by any sublease receipts, which are immaterial.

Note 7. Commitments

Commitments, expressed in thousands, arising from encumbrances outstanding at June 30, 1990 are summarized as follows:

General fund ($12,900 to be funded by federal funds, $5,200 to be funded substantially by appropriations carried forward and $2,200 from other sources)	$ 20,300
University and colleges (to be funded) principally from current fund balance)	6,700
Special revenue funds	225,200
Capital projects funds	89,800
	$ 342,000

The Narragansett Bay Water Quality Management District Commission and the Blackstone Valley District Commission have entered into various engineering and construction contracts for the design and improvement of their facilities as part of a capital improvement program. Commitments under these contracts aggregated approximately $14,900,000 and $2,200,000, respectively at June 30, 1990.

On June 1, 1989, a consent order was entered into by the R.I. Solid Waste Management Corporation, the Town of Johnston (location of the Corporation's landfill) and the state. The order requires among other things, the closing of the landfill by July 1, 1994 for primary commercial and municipal waste and July 1, 2009 for non-hazardous secondary waste; identification of at least three additional landfill sites; and payment monthly to the Town of Johnston, starting July 1, 1989, the greater of $1,100,000 annually or $1.10 per ton of waste disposed of at the landfill. The cost for the acquisition and development of the aforementioned three landfill sites cannot be determined at this time but is believed to be substantial.

The R.I. Solid Waste Management Corporation estimated that a minimum of $75,000,000 (present value dollars) will be required for final landfill post-closure activities. Accordingly, $5,144,342 was accrued and charged to operations in fiscal 1990 to provide for these post-closure costs. As of June 30, 1990, $11,480,015 has been accrued.

The R.I. Solid Waste Management Corporation entered into an agreement with a remarketing agent in connection with the offering and sale on the secondary market of its Weekly Adjustable/Fixed Rate Solid Waste Disposal Revenue Bonds. The agreement is to be in effect until the bonds are converted to a fixed rate of interest and provides for an annual fee based on the principal amount of bonds outstanding. For the year ended June 30, 1990, approximately $200,000 was expended for this purpose.

On January 21, 1987, the R.I. Solid Waste Management Corporation entered into a contract with a vendor for the construction and operation of a resource recovery facility in North Kingstown. The contract construction cost is $71,985,000 and is subject to various escalations should construction commence after June 30, 1987. Construction had not started as of June 6, 1991 and the escalated construction cost at June 30, 1990 is estimated to be $86,599,000. Construction is dependent upon, among other things, the successful defense against litigation by the host community seeking to prevent construction of the facility (See Note 8 - Contingencies), obtaining necessary permits, and successful negotiations for the acquisition of land necessary to site the facility. The facility is expected to be operational approximately 34 months after construction commences. The facility is to be funded with the corporation's escrowed funds received from the prior sale of Weekly Adjustable/Fixed Rate Solid Waste Disposal Revenue Bonds (see Note 4).

On January 20, 1988 the R.I. Solid Waste Management Corporation entered into a contract with a vendor for the design, construction, operation and maintenance of a second resource recovery facility to be located in the Town of Johnston. The contract construction cost is $79,966,000 and is subject to escalations which became effective January 20, 1989 and terminated January 20, 1990. Per provisions of the contract, the vendor has requested that the project be repriced. The Corporation is currently conducting negotiations with the vendor in respect to repricing the contract. Construction is dependent upon, among other things, the issuance of bonds to finance the facility, obtaining necessary permits, and the signing of mutually agreeable energy purchase contracts. The operation and maintenance contract is to cost $4,534,000 per year for a twenty-year period and is subject to various escalations.

On June 11, 1990 the R.I. Solid Waste Management Corporation granted a vendor sole consideration for 180 days to render a proposal for construction, operation and maintenance of a third resource recovery facility to be located in Central Falls, Rhode Island. The corporation is currently reviewing the proposed contract it negotiated with the vendor.

The R.I. Solid Waste Management Corporation is committed, under various contracts and agreements, for a materials recovery facility, a methane gas collection-flare system and municipal improvements to the Town of Johnston.

In addition, the R.I. Solid Waste Management Corporation is required to grant funds to municipalities to assist them in organizing source separation and recycling programs in their communities.

The R.I. Solid Waste Management Corporation has entered into an agreement with the City of Cranston to furnish sewer and water services to the corporation's Johnston facilities in exchange for payments by the corporation, representing its share of construction costs, impact fees and standard user fees.

The Convention Center Authority has entered into a contract, subsequent to June 30, 1990 with a development team for the construction of a convention center and two parking garages. Under provisions of the contract, the costs for the convention center and parking garages, including project administration fees, architectural fees and development fees have been established and will be governed in accordance with a guaranteed maximum price of approximately $118,000,000 (See Note 15 - Subsequent Events).

The R.I. Housing and Mortgage Finance Corporation had loan purchase commitments of $135,544,247 under various loan programs at June 30, 1990.

The R.I. Turnpike and Bridge Authority has entered into various contracts for maintenance of its bridges. At June 30, 1990 remaining commitments on these contracts approximated $16,200,000.

The R.I. Public Transit Authority has entered into a contract for the construction of a bus storage and service building. The total purchase price of the building is estimated to be approximately $6,500,000 and will be financed through federal grants.

The R.I. Partnership for Science and Technology has grant commitments outstanding of $2,097,000 which represent funds committed to continuing research and development efforts by participating companies.

Note 8. Contingencies

General

The state is involved in various civil lawsuits which could result in monetary loss to the state. The lawsuits are in various developmental stages, some to the point that a favorable decision, with no or minimal loss is anticipated, others, where the outcome and amount of loss, if any, cannot be determined and others which are still in the discovery stage.

R.I. Solid Waste Management Corporation

The R.I. Solid Waste Management Corporation is contingently liable to a bank with respect to its irrevocable letter of credit issued to guarantee the corporation's 1984 $160,000,000 Weekly Adjustable/Fixed Rate Solid Waste Disposal Revenue Bonds (see Note 4).

The R.I. Solid Waste Management Corporation has deferred amounts expended for consulting services associated with the development of proposed recovery facilities ($9,121,643 at June 30, 1990) as they may be recoverable in future revenue. Realization of these costs is dependent upon the successful development of the proposed facilities, the outcome of which cannot be determined at this time.

An action, commenced by the Town of North Kingstown, seeking to block the issuance of bonds of the R.I. Solid Waste Management Corporation and to prevent the construction of a solid waste management facility in that community, is pending in the Rhode Island Superior Court.

The Environmental Protection Agency has issued administrative orders and entered into a consent decree with the R.I. Solid Waste Management Corporation, which will require substantial environmental studies of the central landfill which the corporation operates in Johnston, Rhode Island. It is not practical to estimate the total expenditure that may be required, both during any study phases and to effect any remedies for whatever environmental hazards may be disclosed through these studies. Additionally, in May 1986, the corporation was named to the Environmental Protection Agency's Superfund National Priorities List, which in itself carries additional exposure for remedial costs and activities. The corporation has budgeted for the expenses its consultants anticipate.

In March 1988, the R.I. Department of Environmental Management issued an order to the R.I. Solid Waste Management Corporation which was subsequently modified in May and September 1988. The order requires various environmental measures related to operation of the corporation's landfill. The cost of complying with the provisions of this order is expected to be substantial but cannot be determined with accuracy at this time. The operation of the licensed landfill is subject to annual renewal by the Department of Environmental Management.

In October 1988, the R.I. Department of Environmental Management issued an administrative order to the R.I. Solid Waste Management Corporation concerning the proposed resource recovery facility at North Kingstown, Rhode Island. In June 1989 the Corporation filed an appeal in Rhode Island Superior Court of the DEM order. The Corporation's appeal seeks to void certain conditions placed on the air emissions of the proposed facility. The Town of North Kingstown has filed an administrative appeal of the entire order to the Rhode Island Superior Court.

On September 17, 1990 the Town of North Kingstown filed an administrative appeal to the Rhode Island Superior Court of the Coastal Resources Management Council's decision regarding the R.I. Solid Waste Management Corporation's application to construct and operate a mass burn resource recovery facility at Quonset, R.I. The Corporation is also a defendant in that suit.

On October 6, 1989 the R.I. Solid Waste Management Corporation took by eminent domain all real property zoned residential as of July 1, 1988 and that remained residentially zoned as of October 1, 1989 within 1,000 feet of the entire operational portion of the central landfill. Pursuant to this action, claims must be filed against the Corporation within one year of the taking. Legal actions have been filed and remain open against the Corporation arising from the eminent domain taking.

It is not possible to predict the outcome or estimate the range of potential loss in these actions against the R.I. Solid Waste Management Corporation.

Moral Obligation Bonds

Some state authorities are empowered by law to issue bonds, which although not guaranteed by the state, are "moral obligations" of the state. At June 30, 1990, the R.I. Housing and Mortgage Finance Corporation had $334,338,108 in "moral obligation" bonds outstanding at rates of 5.25% to 12.875%, payable annually to 2030.

Federal Grants

The state receives significant amounts of federal assistance under grant agreements which specify the purpose of the grant and conditions under which the funds may be used. Generally, these grants are subject to audit. Any disallowances as a result of these audits become a liability of the state. Although such audits could generate expenditure disallowances under terms of the grants, it is believed that any required reimbursements will not be material.

Note 9. Pension Plans

Employees' Retirement System

A. Plan Description

The state contributes to the Employees' Retirement System of the State of Rhode Island (the system), a multiple-employer, cost-sharing, public employee retirement system that acts as a common investment and administrative agent for pension benefits to be provided to state employees who meet eligibility requirements as well as teachers and certain other employees employed by local school districts in Rhode Island. The financial statements of the system are included within the trust and agency fund type in the accompanying combined financial statements.

The state's payroll for its employees that were covered by the system for the year ended June 30, 1990 was $375,359,693 and the total current year payroll for all state employees was $562,183,382. The payroll for teachers and other local school employees covered by the system for the year ended June 30, 1990 was $443,969,680.

The system covers most state employees. Legislators and elected officials may become members on an optional basis.

The system provides unreduced benefits of 1.7% of earnings for each of the first ten years of service; 1.9% for each of the next ten years; 3.0% per year for each of the next fourteen years; and 2% for the 35th year. The maximum benefit is 80% of final average earnings after 35 years of service. Such benefits are available to members at least age 60 with 10 years of service, or after 28 years at any age. A different benefit formula applies to state correctional officers who may retire at age 50 if they have 20 years of service. Benefits are based on the average of the highest three consecutive years' earnings.

After the third anniversary of retirement, "cost-of-living increases" amounting to 3% per year are provided, independent of actual changes in the consumer price index. The cost-of-living increases are computed at the rate of 3% compounded annually. The system also provides non-service-connected disability benefits after five years of service; service-connected disability pensions with no minimum service requirement; vested benefits after ten years of service; widow's benefits for service-connected death; and certain lump sum death benefits.

Sections 16-16-22 and 36-10-1 of the Rhode Island General Laws require that members contribute a fixed percentage of their earnings to the system. For the year ended June 30, 1990 this percentage was 7½% for state employees, 8½% for teachers and other covered school employees and 30% for legislators. The contributions required by the state and various local school districts that participate in the system are set forth in Sections 16-16-22 and 36-10-2 of the Rhode Island General Laws. For the year ended June 30, 1990 the state contributed 12.1% of covered payroll for state employees and 7.05% for teachers and other covered school employees. Local school districts contributed 10.15% of covered payroll for their covered employees.

B. Funding Status and Progress

The amount shown below as the "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure is intended to help users assess the funding status of the system on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among employers. The measure is the actuarial present value of credited projected benefits, and is independent of the funding method used to determine contributions to the system.

The pension benefit obligation was computed as part of an actuarial valuation performed as of June 30, 1989, the date of the most recent actuarial valuation available. Significant actuarial assumptions used in that valuation included (a) an annual rate of return on system investments of 8% (previously 7½%), (b) projected annual salary increases of 4.67% to 6.36% (previously 4.17% to 5.85%) depending on participant age (including an allowance of 4½% (previously 4%) per year for inflation) (c) mortality rates based on the 1971 group annuity mortality table (d) post retirement increases in benefits of 3% compounded annually and (e) a retirement age of 62½ (previously 63) for state employees and 61 for teachers or completion of service requirement, if later.

The total unfunded pension benefit obligation, expressed in thousands, at June 30, 1989 is summarized below:

	State Employees	Teachers	Total
Pension benefit obligation:			
Retirees and beneficiaries receiving benefits and terminated employees not yet receiving benefits	$ 561,445	$ 573,776	$ 1,135,221
Current employees			
Accumulated employee contributions	161,348	239,833	401,181
Employer-financed vested	245,711	343,680	589,391
Employer-financed nonvested	203,830	398,844	602,674
Total pension benefit obligation	$ 1,172,334	$ 1,556,133	$ 2,728,467
Net assets at June 30, 1989 available for benefits at carrying value (market value is $1,919,348)	769,773	940,834	1,710,607
Unfunded pension benefit obligation	$ 402,561	$ 615,299	$ 1,017,860

C. Actuarially Determined Contribution Requirements and Contributions Made

The system's funding policy, as set forth in Section 36-10-2 of the General Laws, provides for actuarially determined periodic contributions. Employer contributions to the system include (1) normal cost (2) a payment required to amortize the unfunded frozen actuarial liability over thirty years and (3) interest on the unfunded frozen actuarial liability. The normal cost is determined using the entry age normal cost method with frozen initial liability. The significant actuarial assumptions used to compute the actuarially determined contributions requirement are the same as those used to compute the pension benefit obligation as described in B. above.

G. L. Section 36-10-2 relating to the determination of the State's contribution to the system was amended effective July 1, 1989. Until June 30, 1989, the system used the sum-of-the-digits amortization method to calculate the payment required to amortize the unfunded frozen actuarial liability over 30 years. Under this amendment, the method of amortizing the remaining unfunded liability was revised. The new method calls for amortizing the remaining unfunded liability of the system as of June 30, 1988 over 27 years beginning in fiscal year 1990 calculated such that each year's total unfunded liability payment increases at the assumed rate of inflation over the prior year's total payment. This change decreased the State's contribution to the system by approximately $19,300,000 in fiscal 1990.

The state and local school districts' contributions to the system for the year ended June 30, 1990 were made in accordance with actuarially determined requirements computed through an actuarial valuation performed as of June 30, 1988. The state's contribution for its employees, $45,820,058, consisted of $21,205,058 for normal cost (5.6% of current covered payroll) and $24,615,000 for amortization of and interest on the unfunded frozen actuarial liability (6.5% of current covered payroll). The state and municipal contributions for teachers and other covered school employees, $76,362,785, consisted of $33,872,885 for normal cost (7.6% of covered payroll) and $42,489,900 for amortization of and interest on the unfunded frozen actuarial liability (9.6% of covered payroll).

D. Trend Information

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. For the five years ended June 30, 1986, 1987, 1988, 1989, and 1990, state contributions to the system, all made in accordance with actuarially determined requirements, were 14.5%, 12.5%, 12.5%, 13.6% and 12.1%, respectively of annual covered payroll for state employees and 9.9%, 9.45%, 9.3%, 10.15% and 10.15%, respectively of annual covered payroll for teachers (representing the state's share of employer contribution for teachers).

Trend information concerning the pension benefit obligation for 1987, 1988 and 1989 is presented below (dollar amounts in thousands):

	(1)	(2)	(3)	(4)	(5)	(6)
Fiscal Year	Net Assets Available for Benefits	Pension Benefit Obligation	Percentage Funded (1)/(2)	Unfunded Pension Benefit Obligation (2)-(1)	Annual Covered Payroll	Unfunded Pension Benefit Obligation as a Percentage of Covered Payroll (4)/(5)
1987	$ 1,196,304	$ 2,327,225	51.4%	$ 1,130,921	$ 624,927	181.0%
1988	1,392,277	2,569,166	54.2%	1,176,889	738,696	159.3%
1989	1,710,607	2,728,467	62.2%	1,017,860	729,859	139.5%

The pension benefit obligation was not computed for years prior to 1987.

Municipal Employees' Retirement System

A. Plan Description

The state, through the Retirement Board, also administers the Municipal Employees' Retirement System ("the municipal system"), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for pension benefits to be provided to employees of municipalities, housing authorities, and water and sewer districts that have elected to participate. The financial statements of this system are included within the trust and agency fund type in the accompanying combined financial statements.

The municipal system generally provides retirement benefits equal to 2% of final average salary per year of service up to a maximum of 75%. Such benefits are available to members at least age 58 with 10 years of service or after 30 years at any age. Police and fire personnel may retire at age 55 if they have 10 years of service or after 25 years of service at any age. Benefits are based on the average of the highest three consecutive years' earnings.

The municipal system also provides non-service connected disability benefits after 5 years of service; service-connected disability pensions with no minimum service requirement; vested benefits after 10 years of service; widow's benefits; and certain lump sum death benefits.

Section 45-21-41 of the Rhode Island General Laws requires that members contribute a fixed percentage of their earnings to the municipal system. For the year ended June 30, 1990 this percentage was 6% for general employees and 7% for police and fire personnel. For groups that elect the optional cost-of-living provision, the employee contribution rate is increased by 1%. Section 45-21-42 of the General Laws contains the contribution requirements for participating employers. These rates are actuarially determined and vary by participating employer. The state does not make contributions to the municipal system.

B. Funding Status and Progress

The amount shown below as the "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits and is more fully discussed above under funding status and progress for the Employees' Retirement System. The pension benefit obligation was computed as part of the actuarial valuation performed as of June 30, 1989 and was the most recent available at the date of this report. Significant actuarial assumptions used in that valuation included (a) annual rate of return on the investment of assets of 8% (previously 7½%), (b) projected annual salary increases of 4.67% to 6.36% (previously 4.17% to 5.85%) depending on participant age (including an allowance of 4½% (previously 4%) per year for inflation), (c) mortality rates based on the 1971 group annuity mortality table and (d) a retirement age of 65 for general employees and 60 for police and fire personnel, or completion of service requirement, if later. The total unfunded pension benefit obligation, expressed in thousands, at June 30, 1989, the date of the most recent actuarial valuation, is summarized below:

	General Employees	Police and Fire	Total
Pension benefit obligation:			
Retirees and beneficiaries receiving benefits and terminated employees not yet receiving benefits	$ 85,561	$ 7,545	$ 93,106
Current employees			
Accumulated employee contributions	28,763	4,515	33,278
Employer-financed vested	35,680	7,523	43,203
Employer-financed nonvested	39,386	7,463	46,849
Total pension benefit obligation	$ 189,390	$ 27,046	$ 216,436

Net assets available for benefits, at carrying value, of the Municipal Employee's Retirement Fund at June 30, 1989 were approximately $232 million (market value is $269 million). This exceeds the pension benefit obligation by $16 million.

C. Actuarially Determined Contribution Requirements and Contributions Made

The municipal system's funding policy, as set forth in Section 45-21-42 of the General Laws, provides for actuarially determined periodic contributions. Employer contributions to the municipal system include (1) normal cost and (2) a payment, where applicable, to amortize the unfunded actuarial liability over a period of 25 years from the date the municipality joined the system. The normal cost is determined using the entry age normal cost method. The significant actuarial assumptions used to compute the actuarially determined contributions are the same as those used to compute the pension benefit obligation as described in B. above.

The total contributions to the municipal system for fiscal 1990 were made in accordance with actuarially determined requirements computed through an actuarial valuation performed as of June 30, 1988. The portions of employer contributions that represent normal cost and amortization of the unfunded actuarial liability are determined by the actuary and vary for each employer.

D. Trend Information

Trend information concerning the pension benefit obligation for 1987, 1988 and 1989 is presented below (dollar amounts in thousands):

Fiscal Year	(1) Net Assets Available for Benefits	(2) Pension Benefit Obligation	(3) Percentage Funded (1)/(2)	(4) Unfunded Pension Benefit Obligation (2)-(1)
1987	$ 170,009	$ 172,672	98.5%	$ 2,663
1988	193,697	196,233	98.7%	2,536
1989	232,252	216,436	107.3%	(15,816)

The pension benefit obligation was not computed for years prior to 1987.

Other

Certain employees of the University of Rhode Island, Rhode Island College, and the Community College of Rhode Island (principally faculty and administrative personnel) are covered by individual annuity contracts with the Teachers' Insurance and Annuity Association. Total expenditures by the institutions for such annuity contracts amounted to $6,972,793 during the year ended June 30, 1990.

The R.I. Public Transit Authority has two pension plans that cover employees meeting certain eligibility requirements. Employer contributions paid in fiscal year 1990 for each plan was $853,700 and $149,612, respectively. At July 1, 1989, the most recent valuation date, the total pension benefit obligation was $9,457,372 and net assets available for benefits were $4,607,942.

The R.I. Port Authority and Economic Development Corporation has a pension plan that covers employees who meet certain eligibility requirements. At July 1, 1989, the most recent valuation date, the total pension benefit obligation was $2,571,231 and net assets available for benefits were $3,445,944. No contributions were made to the plan during the year ended June 30, 1990.

Certain other component units have defined contribution pension and savings plans.

For additional information regarding these other pension and savings plans, please refer to the component units' separately issued financial reports.

Note 10. Postemployment Benefits

In addition to the pension benefits described in note 9, the state provides postretirement benefits to certain employees in accordance with several state programs designed to encourage early retirement. These benefits are available to employees who met the age and years of service criteria specified in the program guidelines and who elected to retire during periods specified. The benefits include monthly supplemental cash payments in addition to regular pension benefits and medical and hospitalization costs for pre-Medicare retirees and a medicare supplement for Medicare - eligible retirees. Expenditures for such post retirement benefits are recognized when paid.

During fiscal 1990, expenditures of $1,060,437 were recognized for post retirement benefits provided under early retirement incentive programs (an average of $748 for each of the 1,418 retirees covered by the plans).

In accordance with the General Laws, postretirement health care benefits are provided to all members of the Employees' Retirement System who retire on or after July 1, 1989. The benefits in general cover medical and hospitalization costs for pre-Medicare retirees and a Medicare supplement for Medicare-eligible retirees. The retiree is required to pay a portion of the monthly premium. This payment varies with years of service and ranges from 50% for retirees with 10-15 years of service to 0% for retirees with 35 years of service.

During fiscal year 1990, employees contributed .125% of earnings to fund their share of the cost of providing benefits to retirees. In addition, the state contributed .125% of employee earnings to a restricted fund in the Employees Retirement System to fund the employer cost of these benefits. Expenditures in fiscal 1990 for postretirement health care benefits under this program totaled $882,170. The adequacy of the funding requirements provided in the General Laws will be actuarially re-evaluated during fiscal 1993 to determine the required amount to maintain this benefit. If at any time during fiscal 1993 the cost of these health care benefits exceeds the contribution in the restricted fund account, the state shall assume the liability for that cost by making advances to the restricted fund account which will be repaid from subsequent excess funds in the restricted fund account.

Note 11. Deferred Compensation

The state offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The deferred compensation plan is administered by the Department of Administration pursuant to General Law 36-13. The Department of Administration contracts with private corporations to provide investment products related to the management of the deferred compensation plan. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the state (without being restricted to the provisions of benefits under the plan) subject only to the claims of the state's general creditors. Participants' rights under the plan are equal to those of general creditors of the state in an amount equal to the fair market value of the deferred account for each participant.

It is the opinion of the Department of Administration's legal counsel that the state has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The state believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

Deferred compensation plan balances, valued at market, have been reported in an agency fund at June 30, 1990.

Note 12. Segment Information

The state has several enterprise funds which are described below:

Rhode Island Housing and Mortgage Finance Corporation. (RIHMFC): This Corporation, established in 1973, was created in order to expand the supply of housing available to persons of low and moderate income and to stimulate the construction and rehabilitation of housing and health care facilities in the state. It has the power to issue notes and bonds to achieve its corporate purpose.

Rhode Island Student Loan Authority. (RISLA): This Authority, established in 1981, was created in order to provide a statewide student loan program through the acquisition of student loans. It has the power to issue bonds and notes payable solely from its revenues.

Rhode Island Turnpike and Bridge Authority. (RITBA): This Authority was created by the General Assembly as a body corporate and politic, with powers to construct, acquire, maintain and operate bridge projects as defined by law.

Rhode Island Port Authority and Economic Development Corporation. (RIPAEDC): This Authority was created by law in 1974 for the purpose of acquiring and developing real and personal property to promote the economic development of the State. It has the power to issue tax-exempt industrial development bonds to accomplish its corporate purpose.

Convention Center Authority. (CCA): This Authority was created in 1987 for the purpose of constructing, managing and operating a convention center. By an agreement between the state and the City of Providence, the Authority became a joint development entity empowered to undertake the development of a convention center, parking garage and hotel complex to be located in the City of Providence.

Blackstone Valley District Commission. (BVDC) - This Commission was established for the purpose of combating water pollution in the Blackstone Valley through the financing and construction of sewers and treatment facilities. Bonds issued for the Commission by the state, while general obligations of the state, are supported by user fees levied by the Commission for services provided to users of its facilities.

State Lottery Fund. (Lottery) - This Fund is used to account for the revenues generated by the State Lottery Commission in conducting various lottery games. According to statute, earnings after allocation for prize awards and payment of expenses shall be paid to the state's general fund.

Rhode Island Solid Waste Management Corporation. (RISWMC): This Corporation was established in 1974 in order to provide and/or coordinate solid waste management services to municipalities and persons within Rhode Island. The Corporation has the power to issue negotiable bonds and notes to achieve its corporate purpose.

Rhode Island Public Buildings Authority. (RIPBA): This Authority's purpose in general is to finance the acquisition, construction and improvement of public facilities and equipment through the issuance of revenue bonds financed solely from revenues derived under lease agreements with various governmental entities, receipts on the disposition of the assets being financed and earnings from funds held on deposit. The Authority's administrative expenses are reimbursed on an annual basis by the state.

Rhode Island Public Transit Authority. (RIPTA): This Authority was established in 1964 to acquire any mass motor bus transportation system if that system has previously filed a petition to discontinue its service and further, if the Authority determines it is in the public interest to continue such service. Revenues of the Authority include operating assistance grants from the federal and state governments.

Narragansett Bay Water Quality Management District Commission. (NBC) - This Commission was created for the purposes of acquiring, planning, constructing, extending, improving, operating and maintaining publicly owned waste water treatment facilities. The commission receives contributed capital from the state and federal government to upgrade its facilities.

Rhode Island Refunding Bond Authority. (RIRBA): This Authority was created for the purpose of providing a means to advance refund two series of general obligation bonds of the state. The Authority issued bonds that are secured solely by its revenues, derived from payments pursuant to a loan and trust agreement with the state, subject to annual appropriation.

Other. The other enterprise funds are the Rhode Island Higher Education Assistance Authority, Rhode Island Industrial Facilities Corporation, Howard Development Corporation, Rhode Island Industrial-Recreational Building Authority, Rhode Island Water Resources Board Corporate, Rhode Island Public Telecommunications Authority, Rhode Island Partnership for Science and Technology and the Water Development Fund.

Segment financial information, expressed in thousands, for the Enterprise Funds is presented below:

	RIHMFC	RISLA	RITBA	RIPAEDC	CCA	BVDC	LOTTERY
Operating revenues	$ 151,412	$ 21,501	$ 9,138	$ 7,533	$	$ 8,906	$ 58,752
Depreciation, depletion and amortization expense	4,431	43		750		1,052	113
Other operating expenses	130,242	18,066	2,068	8,590		6,068	32,043
Operating income (loss)	16,739	3,392	7,070	(1,807)		1,786	26,596
Nonoperating revenues (expenses)			(222)	1,847		(920)	548
Operating transfers in (out)			(5,030)	7,295		1,089	(27,219)
Net increase (decrease) in fund equity	16,739	3,392	1,818	7,335		1,955	(75)
Total assets	1,800,383	235,168	77,273	49,783	53,052	51,397	22,152
Long-term debt	1,491,722	222,930	61,686			16,755	
Total fund equity	200,298	10,883	12,762	47,832		33,117	903

	RISWMC	RIPBA	RIPTA	NBC	RIRBA	OTHER	TOTAL
Operating revenues	$ 19,682	$ 17,760	$ 7,092	$ 12,670	$ 1,084	$ 5,063	$ 320,593
Depreciation, depletion and amortization expense	4,513	219	3,511	251		173	15,056
Other operating expenses	29,028	16,122	24,758	11,843	1,084	17,755	297,667
Operating income (loss)	(13,859)	1,419	(21,177)	576		(12,865)	7,870
Nonoperating revenues (expenses)	807	(189)	428	(1,074)		1,719	2,944
Operating transfers in (out)			17,934	7,674		6,743	8,486
Net increase (decrease) in fund equity	(13,052)	1,230	(2,815)	7,176		(4,403)	19,300
Total assets	248,739	381,733	26,648	106,800	15,734	40,757	3,109,619
Long-term debt	164,424	204,675		14,384	15,570	11,685	2,203,831
Total fund equity	40,064	5,202	17,145	78,237	2	21,833	468,278

Note 13. Deficit Balances

The following funds have deficit balances in fund equity, expressed in thousands, as of June 30, 1990:

Special Revenue Funds:		
R.I. Temporary Disability Insurance Administration	$ 171	
R.I. Temporary Disability Insurance Compensation	390	$ 561
Capital Projects Funds:		
R.I. Clean Water Act/Environmental Trust		655
Internal Service Funds:		
State Planning Services	48	
General Services	23	
Forand Building Cafeteria	2	73
Trust and Agency Funds:		
Violent Crimes Indemnity		271
		$1,560

The deficits of the R.I. Temporary Disability Insurance Administration and Compensation Funds will be funded from the R.I. Temporary Disability Reserve Fund. The deficit of the Violent Crimes Indemnity Fund will be funded in the ensuing fiscal year as revenue becomes available.

The deficit of the R.I. Clean Water Act/Environmental Trust Fund will be funded through the issuance of general obligation bonds and the collection of fines and penalties.

The deficits of the Internal Service Funds will be funded by appropriations from the General Fund in the next fiscal year.

Note 14. Related Party Transactions

Funds held by the University of Rhode Island Foundation for the future use of the university and its faculty and students are not reflected in the accompanying financial statements. Funds held at March 31, 1990 amounted to $16,211,160. Distributions of $3,794,680 during the year ended June 30, 1990 are included in private gift revenue of the university.

The University of Rhode Island Foundation has agreed to finance the construction of the university's applied engineering laboratory building to the extent of $653,087 from pledges from various donors. As of June 30, 1990, construction has been completed and the foundation has transferred $615,911 to the university. The balance of $37,176 has been recorded as a receivable in the capital projects fund and will be transferred to the university as pledges are received by the foundation.

The Rhode Island Partnership for Science and Technology (RIPSAT) was funded through a donation of $2,390,000 from the R.I. Port Authority and Economic Development Corporation (Port Authority). In fiscal year 1990, the Port Authority's Board of Directors approved an additional $1,000,000 donation to RIPSAT, which as of June 30, 1990 had not been paid to RIPSAT.

The Employees' Retirement Fund has invested, at June 30, 1990, in bonds issued by the R.I. Industrial Facilities Corporation totaling $23,000,000 and the R.I. Housing and Mortgage Finance Corporation totaling $4,010,000. All of these entities are included as component units in the accompanying combined financial statements.

Note 15. Subsequent Events

In fiscal year 1991, the State of Rhode Island issued $200,000,000 of General Obligation Tax Anticipation Notes due and payable June 28, 1991. The notes are additionally secured by and are payable from two irrevocable direct-pay letters of credit.

In August 1990, the State of Rhode Island issued $81,570,915 of General Obligation Bonds due October 15, 1991 to 2009. Proceeds from this issue equal to $76,800,000 were used to redeem bond anticipation notes outstanding.

In October 1990, the State of Rhode Island issued $46,335,000 of General Obligation Bond Anticipation Notes due October 15, 1991.

In September 1990, the state issued $11,810,000 of lease participation certificates due October 1, 1991 to 1997.

In November 1990, the R.I. Solid Waste Management Corporation issued $38,500,000 of Bond Anticipation Notes due November 1, 1991. Proceeds of this issue were used in part to refund $25,000,000 of outstanding bond anticipation notes.

In November 1990, the Convention Center Authority issued $100,000,000 of bond anticipation notes, secured by a letter of credit, and due November 1991.

The R.I. Public Buildings Authority issued $54,415,000 of State Public Projects Revenue Bonds, 1990 Series A, dated December 1, 1990, due on various dates through 2011 with interest rates of 5.8% to 6.7%. Proceeds of this issue were used in part to refund $17,500,000 of outstanding bond anticipation notes.

In September and October 1990, the R.I. Housing and Mortgage Finance Corporation issued $286,915,000 and remarketed $49,950,000 of bonds.

Additionally, on October 1, 1990, the Corporation redeemed $40,527,368 of bonds outstanding at June 30, 1990.

Convention Center Authority

On May 31, 1991, the Governor signed into law an act relating to the Convention Center Authority, which amends certain powers and responsibilities of the Authority, the Municipality (City of Providence) and the State. Principally, the amendments provide for (a) connection walkways and hotels to be financed through bonds issued by the Authority for the Convention Center, (b) payments in lieu of taxes by the Authority to the Municipality, (c) appointment of seven Authority board members by the Governor and two Authority board members by the Mayor of the Municipality, and (d) release of the Municipality from responsibility for any debt service incurred by the Authority in connection with the Convention Center Project.

At June 30, 1990, the Authority, as lessor, and the State and the City of Providence, as lessees, had entered into an agreement whereby the Authority would lease the Convention Center to the State and City. The State and City were required to make lease payments in an amount sufficient to pay the operating expenses of the Authority and debt service on its obligations. A lease obligation has been recorded in the State's General Long Term Debt Account Group at June 30, 1990, pursuant to an agreement in effect at that date, reflecting the State's share (50 percent) of the Convention Center Authority's outstanding debt.

The State has subsequently agreed to assume responsibility for 100 per cent of the rentals and other payments with respect to obligations issued by the Authority. As of June 6, 1991, the Convention Center Authority has outstanding $100,000,000 of bond anticipation notes.

Rhode Island Depositor Economic Protection Corporation

In January 1991, the Governor closed certain financial institutions that were insured by the Rhode Island Share and Deposit Indemnity Corporation (RISDIC), a private deposit insurance fund which entered conservatorship on December 31, 1990. Subsequently, some of the institutions were able to qualify for federal deposit insurance from the National Credit Union Association (NCUA). Others remain closed due to their inability to obtain legally required deposit insurance and have been placed in receivership.

In February 1991, legislation was passed and signed by the Governor, creating the Rhode Island Depositor Economic Protection Corporation (DEPCO). This public corporation has a distinct legal existence from the state and does not constitute a department of state government. Its purpose is to acquire the assets of the closed financial institutions placed in receivership, with the intention of liquidating these assets and paying the deposit liabilities, in accordance with a schedule established by statute; or alternatively, to provide financial support to such institutions, in the form of pledges, payments or loans in aid of the acquisition of the assets and liabilities of closed institutions by other financial institutions.

In order to carry out its purpose, DEPCO has been granted the authority to issue general and/or special obligation bonds, provided that the total amount outstanding at any one time does not exceed $150,000,000. The Corporation is also authorized to incur $150 million of indebtedness in addition to general or special obligation bonds, and may issue debt secured solely by its assets without limits as to amount.

DEPCO issued $17,600,000 of bond anticipation notes dated May 31, 1991, payable August 30, 1991 from the proceeds of renewal notes or bonds and from the sale of certain assets to be purchased with the proceeds of the notes. On June 6, 1991, the Corporation issued $150,000,000 of special obligation bonds due in varying amounts from 1995 to 2021. These special obligations of the corporation are payable from amounts appropriated annually by the General Assembly in an amount equal to revenues derived from a portion of the state's sales and use taxes at the rate of one-half of one percent within the existing sales tax rate.

State Funds on Deposit in Closed Institutions

State funds, in the custody of the General Treasurer, on deposit at January 1, 1991 in financial institutions closed due to the failure of a private deposit insurance fund (RISDIC), totaled approximately $20,750,000. These funds, held primarily in the pension trust funds, remain unavailable as of June 6, 1991.

COMBINING AND INDIVIDUAL FUND
AND
ACCOUNT GROUP STATEMENTS
AND
SCHEDULES

FINANCIAL SECTION

Exhibit/ Schedule

GENERAL FUND:

Balance Sheets A-1

Statement of Revenues, Expenditures, and Changes in Available Fund Balance A-2

Statement of Revenues - Estimated and Actual A-3

Summary Statement of Available Appropriations, Expenditures, Transfers and Balances Carried Forward A-4

Statement of Changes in Reserves A-5

Comparative Statement of Taxes Receivable and Departmental Accounts Receivable A-6

Statement of Expenditures by Source of Funds A-7

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit A-1

GENERAL FUND
BALANCE SHEETS

June 30, 1990 and 1989

Assets	1990	1989
Cash and cash equivalents	$ 9,762,626	$ 6,723,192
Investments, at cost	9,183,092	77,775,973
Receivables (net of allowance for uncollectible and unavailable):		
Taxes (net of allowance of $10,496,508, 1990; $4,964,379, 1989)	81,478,980	60,333,454
Accounts (net of allowance of $4,209,331, 1990; $3,514,735, 1989)	13,697,123	13,036,330
Due from other funds	4,885,704	3,725,066
Due from federal government and others	50,929,427	42,443,105
Advances to internal service funds	5,157,500	5,307,500
Advances to other funds	5,530,000	17,850,000
Total assets	$ 180,624,452	$ 227,194,620

Liabilities and Fund Equity

	1990	1989
Liabilities:		
Cash overdraft	$ 2,379,048	$
Vouchers and accounts payable	101,925,325	83,465,010
Due to other funds	22,271	
Accrued payroll and employee benefits	17,192,343	14,823,662
Obligations under reverse repurchase agreements	8,000,000	
Due to other governments		11,419,248
Other liabilities	4,212,368	4,883,976
Total liabilities	133,731,355	114,591,896
Fund equity:		
Appropriations carried forward:		
General and special appropriations	2,020,938	18,930,439
Departmental restricted revenue	20,909,527	19,663,524
Federal grants	6,876,389	8,281,236
Total appropriations carried forward	29,806,854	46,875,199
Reserves:		
State budget reserve and cash stabilization account	5,913,041	37,374,746
Public facilities asset protection account	5,658,076	9,145,610
Internal service funds	5,157,500	5,307,500
Departmental imprest cash	357,626	321,795
Total reserves	17,086,243	52,149,651
Available fund balance		13,577,874
Total fund equity	46,893,097	112,602,724
Total liabilities and fund equity	$ 180,624,452	$ 227,194,620

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit A-2

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN AVAILABLE FUND BALANCE

For the Fiscal Years Ended June 30, 1990 and 1989

	1990	1989
Revenues:		
Taxes	$ 1,222,796,459	$ 1,134,769,869
Licenses and fees	18,913,308	17,425,371
Fines and penalties	9,928,546	11,440,412
Sales and services	111,562,936	115,922,626
Income from investments	2,065,329	5,261,112
Miscellaneous revenue	5,697,444	5,378,736
Departmental restricted revenue	68,575,746	56,875,048
Federal grants	470,281,356	430,544,819
Total revenues	1,909,821,124	1,777,617,993
Expenditures:		
Individual and family development	1,488,801,745	1,359,262,296
Economic development	76,768,885	75,581,892
Public safety	53,139,124	52,088,763
Transportation	69,650,470	67,550,313
Comprehensive support	190,511,936	184,053,969
Total expenditures	1,878,872,160	1,738,537,233
Excess of revenues over expenditures	30,948,964	39,080,760
Other financing sources (uses):		
Transfers from state lottery fund	27,218,927	23,484,113
Transfers from other funds	8,059,574	5,263,039
Transfers to the university - colleges fund	(129,180,915)	(126,973,376)
Transfers to other funds	(28,592,261)	(27,659,635)
(Increase) decrease in reappropriations	17,068,345	(9,881,712)
Transfers from state budget reserve and cash stabilization account	31,461,705	-
Transfers from other reserves	4,087,534	6,616,258
Transfers from restricted revenue accounts	5,963,822	
Residual equity transfer from Howard Development Corporation	3,900,000	
Residual equity transfer from automotive equipment fund	822,489	
Adjustment - prior year transactions	8,849,773	5,527,503
Repayment of loan to enterprise funds	6,300,000	500,000
Transfers to reserves	(600,000)	(16,438,879)
Net advances to other funds	114,169	(606,550)
Total other financing sources (uses)	(44,526,838)	(140,169,239)
Decrease in available fund balance	(13,577,874)	(101,088,479)
Available fund balance - July 1	13,577,874	114,666,353
Available fund balance - June 30	$	$ 13,577,874

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit A-3-1

GENERAL FUND
STATEMENT OF REVENUES - ESTIMATED AND ACTUAL

For the Fiscal Year Ended June 30, 1990

TAXES	Estimated Revenue	Amended Estimated Revenue	Actual Revenue	Actual Over (under) Amended Estimated Revenue
Personal income tax	$ 474,206,000	$ 441,658,200	$ 433,728,358	$ (7,929,842)
General business taxes:				
Business corporation tax	80,541,794	57,874,328	62,248,443	4,374,115
Franchise tax	1,804,896	1,800,000	2,116,216	316,216
Gross earnings tax - public utilities	54,700,000	53,300,000	66,312,767	13,012,767
Income tax - financial institutions	17,400,000	19,600,000	9,683,373	(9,916,627)
Tax on insurance companies	37,950,000	35,108,230	37,094,985	1,986,755
Tax on deposits - banking institutions	9,440,000	9,440,000	9,974,023	534,023
Public service corporation tax			6,160,120	6,160,120
Gross earnings tax - petroleum companies		(28,782)	(2,555)	26,227
Sales and use taxes:				
Sales and use tax	438,803,000	401,778,913	399,768,790	(2,010,123)
Motor vehicle tax	23,000,000	29,940,000	29,443,630	(496,370)
Gasoline tax	68,866,639	66,817,493	64,176,227	(2,641,266)
Cigarette tax	38,800,000	40,031,000	36,974,337	(3,056,663)
Tax on mfg. of beers, liquors, etc.	20,000	15,000	15,078	78
Alcoholic beverage import fees	11,600,000	9,975,000	9,835,567	(139,433)
Fuel use tax on motor carriers	585,135	823,719	905,701	81,982
Cigarette floor stock tax		553,012	1,699,462	1,146,450
Liquor floor stock tax		976,597	981,831	5,234
Marijuana controlled substance			1,044	1,044
Motor fuel excise tax	9,127,342	8,680,434	8,985,332	304,898
Other taxes:				
Inheritance tax	14,218,472	18,983,094	26,880,470	7,897,376
Gift tax	50,000	10,000	9,311	(689)
Racing and athletics tax		1,550,000	1,037,893	(512,107)
Non-resident contractor tax	114,041	200,000	64,314	(135,686)
Realty transfer tax	5,400,000	5,400,000	4,558,241	(841,759)
Dog racing - pari-mutuel betting	11,400,000	9,400,000	8,876,590	(523,410)
Tax on breakage	200,000	180,000	180,021	21
Jai alai - pari-mutuel betting	1,500,000	900,000	916,766	16,766
Tax on breakage	20,000	15,000	13,758	(1,242)
Admissions tax - racing	150,000	175,000	156,366	(18,634)
Total taxes	1,299,897,319	1,215,156,238	1,222,796,459	7,640,221
DEPARTMENTAL REVENUE AVAILABLE FOR GENERAL PURPOSES				
Licenses and fees	18,018,139	19,066,910	18,913,308	(153,602)
Fines and penalties	13,146,300	12,267,900	9,928,546	(2,339,354)
Sales and services	114,663,442	112,838,153	111,562,936	(1,275,217)
Income from investments	7,400,000	2,060,000	2,065,329	5,329
Miscellaneous	4,112,700	8,649,763	5,697,444	(2,952,319)
Total departmental revenue available for general purposes	157,340,581	154,882,726	148,167,563	(6,715,163)
Total general revenue	1,457,237,900	1,370,038,964	1,370,964,022	925,058

Exhibit A-3-2

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

GENERAL FUND
STATEMENT OF REVENUES - ESTIMATED AND ACTUAL

For the Fiscal Year Ended June 30, 1990

DEPARTMENTAL RESTRICTED REVENUE AVAILABLE FOR SPECIFIC PURPOSES	Estimated Revenue	Amended Estimated Revenue	Actual Revenue	Actual Over (under) Amended Estimated Revenue
Mental Health, Retardation, and Hospitals		317,565	355,056	37,491
Health	1,803,113	5,144,792	5,392,176	247,384
Human Services	63,355	69,911	67,359	(2,552)
Corrections	501,009	651,009	908,758	257,749
Elementary and Secondary Education	11,058,530	10,916,124	10,892,505	(23,619)
State Library Services		6,718	15,994	9,276
Labor	717,540	1,294,291	913,831	(380,460)
Environmental Management	5,280,143	9,486,687	9,616,582	129,895
Business Regulation	2,542,463	2,597,331	2,715,196	117,865
Transportation	16,535,960	17,057,070	16,558,993	(498,077)
Executive	489,340	3,597,242	5,095,594	1,498,352
Attorney General	435,969	86,779	303,778	216,999
Treasury	50,000	72,669	90,748	18,079
Administration	9,927,387	3,235,142	5,113,060	1,877,918
Legislative	424,541	424,541	583,406	158,865
Judicial	815,332	1,002,841	1,478,523	475,682
Other Commissions and Agencies	4,782,974	1,560,722	1,503,128	(57,594)
General	2,500,000	2,815,000	4,554,051	1,739,051
Economic Development	4,570,000	1,146,587	1,176,490	29,903
Elderly Affairs	33,585	33,585	25,826	(7,759)
Children and Their Families	137,900	137,900	64,996	(72,904)
Higher Education		129,500	129,500	
Workers' Compensation	4,000	615,000	1,020,196	405,196
Total departmental restricted revenue available for specific purposes	62,673,141	62,399,006	68,575,746	6,176,740
FEDERAL GRANTS				
Mental Health, Retardation, and Hospitals	4,820,359	11,098,286	6,785,330	(4,312,956)
Health	13,434,785	16,789,868	14,940,223	(1,849,645)
Human Services	312,981,284	351,724,478	339,887,880	(11,836,598)
Corrections		42,914	38,987	(3,927)
Elementary and Secondary Education	43,215,314	55,596,075	42,853,131	(12,742,944)
State Library Services	570,989	1,188,678	931,188	(257,490)
Labor	43,610	56,710	73,135	16,425
Environmental Management	7,050,461	14,051,419	8,592,767	(5,458,652)
Transportation	1,974,731	10,255,439	6,959,572	(3,295,867)
Executive	33,157,389	44,835,487	25,566,577	(19,268,910)
Attorney General	502,074	603,524	548,418	(55,106)
Administration	244,000	244,000	184,878	(59,122)
Judicial		277,403	223,242	(54,161)
Other Commissions and Agencies	198,435	413,602	360,244	(53,358)
Economic Development	5,511,460	7,052,190	4,842,436	(2,209,754)
Elderly Affairs	4,973,332	7,385,577	5,121,087	(2,264,490)
Children and Their Families	7,028,086	12,674,056	12,179,106	(494,950)
Office of Higher Education	223,319	373,530	193,155	(180,375)
Total federal grants	435,929,628	534,663,236	470,281,356	(64,381,880)
Total general fund revenue	$1,955,840,669	$1,967,101,206	$1,909,821,124	$ (57,280,082)

Exhibit A-4

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

GENERAL FUND
SUMMARY STATEMENT OF AVAILABLE APPROPRIATIONS, EXPENDITURES, TRANSFERS, AND BALANCES CARRIED FORWARD

For the Fiscal Year Ended June 30, 1990

Department or Activity	Balances Brought Forward July 1, 1989	Adjustments of Balances Brought Forward	State Appropriations and Transfers	Restricted Revenues, Federal Grants and Transfers	Total Available	Expenditures and Transfers	Lapsed to Surplus	Appropriations Carried Forward
Mental Health, Retardation, and Hospitals	$ 1,950,542	$ 84,750	$ 209,766,405	$ 7,974,505	$ 219,776,202	$ 214,844,052	$ 4,839,104	$ 93,046
Health	1,770,744	(4,869)	24,923,255	20,332,399	47,021,529	45,655,160	452,459	913,910
Human Services	3,012,493	549,681	277,353,696	339,957,956	620,873,826	615,926,825	3,448,728	1,498,273
Corrections	130,962		75,726,225	1,772,955	77,630,142	75,743,095	1,710,365	176,682
Elementary and Secondary Education	2,957,904	(5,355)	373,035,743	54,040,604	430,028,896	428,712,285	739,270	577,341
State Library Services	32,740		4,714,373	1,001,507	5,748,620	5,575,539	130,133	42,948
Labor	793,651	(5,654)	4,541,139	986,966	6,316,102	5,971,965	79,840	264,297
Environmental Management	5,383,684	183,515	34,646,836	18,315,108	58,529,143	52,096,694	482,850	5,949,599
Business Regulation	1,527,372		3,534,167	2,715,196	7,776,735	7,338,444	106,794	331,497
Transportation	5,891,069	(1,349)	72,743,888	23,526,632	102,160,240	98,341,593	1,017,640	2,801,007
Executive	14,024,179	86,703	31,153,044	33,038,853	78,302,779	68,986,803	921,170	8,394,806
State	185,423		3,296,197		3,481,620	3,396,945	62,940	21,735
Attorney General	331,250		8,588,176	852,197	9,771,623	9,124,200	212,601	434,822
Treasury	371,076	28,300	2,312,201	1,450,477	4,162,054	3,611,643	53,219	497,192
Administration	1,251,181		84,889,089	5,597,648	91,737,918	78,610,900	11,166,369	1,960,649
Legislative	1,974,800		11,116,553	632,198	13,723,551	12,033,317		1,690,234
Judicial	791,372	3,974	32,273,370	1,701,764	34,770,480	33,125,715	709,672	935,093
Other Commissions and Agencies	324,977	864,736	12,498,998	1,863,366	15,552,077	14,341,779	285,143	925,155
General	518,856		7,019,029	4,554,051	12,091,936	11,809,190		282,746
Special Legislative Appropriations	21,598		920,832		942,430	942,430		
Economic Development	1,628,724	(824,634)	6,267,469	6,018,926	13,090,485	12,055,407	575,407	459,671
Elderly Affairs	211,955	(10,665)	11,940,352	5,146,913	17,288,555	17,128,530	127,575	32,450
Children and Their Families	212,846		64,241,229	12,298,764	76,752,839	76,072,684	530,368	149,787
Office of Higher Education	1,557,250		143,673,488	1,322,655	146,553,393	145,196,246	1,000,000	357,147
Workers' Compensation	18,551		4,493	1,020,196	1,043,240	3,895	22,578	1,016,767
Total	$ 46,875,199	$ 949,133	$ 1,501,180,247	$ 546,121,836	$ 2,095,126,415	$ 2,036,645,336	$ 28,674,225	$ 29,806,854

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit A-5

GENERAL FUND
STATEMENT OF CHANGES IN RESERVES

For the Fiscal Year Ended June 30, 1990

	Affordable Housing Reserve Account	State Budget Reserve and Cash Stabilization Account	Public Facilities Asset Protection Account	Internal Service Funds	Departmental Imprest Cash	Total
Balances, July 1, 1989	$	$ 37,374,746	$ 9,145,610	$ 5,307,500	$ 321,795	$ 52,149,651
Additions:						
State lottery fund transfers	600,000					600,000
Other				450,000	36,531	486,531
Total additions	600,000			450,000	36,531	1,086,531
Total available	600,000	37,374,746	9,145,610	5,757,500	358,326	53,236,182
Deductions:						
Transfers out	600,000	31,461,705	3,487,534	600,000	700	36,149,939
Balances, June 30, 1990	$	$ 5,913,041	$ 5,658,076	$ 5,157,500	$ 357,626	$ 17,086,243

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit A-6

GENERAL FUND
COMPARATIVE STATEMENT OF TAXES RECEIVABLE AND DEPARTMENTAL ACCOUNTS RECEIVABLE

For the Fiscal Years Ended June 30, 1990 and 1989

Taxes Receivable	1990	1989	Increase (Decrease)	Write Offs
Personal income tax	$ 26,322,780	$ 17,153,359	$ 9,169,421	$ 375,503
Tax on deposits - banking institutions	696,319		696,319	
Business corporation tax	9,330,519	2,926,949	6,403,570	
Franchise tax		10,332	(10,332)	
Tax on insurance company	150,848	125,087	25,761	
Sales and use tax	44,859,137	38,921,532	5,937,605	189,950
Gasoline tax	3,223,530	2,716,419	507,111	667
Cigarette tax	2,267,698	2,082,985	184,713	
Tax on manufacturers of beers, liquors, etc.	67	1,242	(1,175)	
Inheritance tax	4,698,315	871,458	3,826,857	
Gift tax		5,711	(5,711)	1,657
Non-resident contractor tax recovery	34,066	27,723	6,343	
Gross earnings tax - petroleum companies	29,142	31,980	(2,838)	2,838
Fuel use tax - motor carriers	12,734	36,066	(23,332)	
Motor fuel excise tax	350,333	386,990	(36,657)	
Total taxes receivable	91,975,488	65,297,833	26,677,655	570,615
Less: allowance for uncollectible and unavailable	10,496,508	4,964,379	5,532,129	
Total net taxes receivable	$ 81,478,980	$ 60,333,454	$21,145,526	$ 570,615
Departmental Accounts Receivable				
Mental Health, Retardation and Hospitals	$ 13,524,164	$ 12,056,357	$ 1,467,807	$ 795,960
Health	21,240	18,610	2,630	
Human Services	284,957	322,001	(37,044)	3,569
Corrections	1,120		1,120	
Elementary and Secondary Education	124,758	109,442	15,316	
Labor	21,015	23,152	(2,137)	
Environmental Management	372,142	469,228	(97,086)	12,421
Transportation	2,895,744	2,887,959	7,785	9,034
Executive	649,129	651,782	(2,653)	
Administration	3	358	(355)	
Other Commissions and Agencies	12,182	12,176	6	
Total departmental accounts receivable	17,906,454	16,551,065	1,355,389	820,984
Less: allowance for uncollectible and unavailable	4,209,331	3,514,735	694,596	
Total net departmental accounts receivable	$ 13,697,123	$ 13,036,330	$ 660,793	$ 820,984

Exhibit A-7

GENERAL FUND
STATEMENT OF EXPENDITURES
BY SOURCE OF FUNDS

For the Fiscal Year Ended June 30, 1990

			Restricted		
Department or Activity	General	Federal	Departmental	Public Facilities Asset Protection Account	Total
Mental Health, Retardation, and Hospitals	$ 206,807,535	$ 6,870,500	$ 317,866	$ 834,119	$ 214,830,020
Health	24,831,413	14,642,891	6,180,856		45,655,160
Human Services	274,944,102	340,809,477	173,246		615,926,825
Corrections	74,015,860	16,011	886,014	825,210	75,743,095
Elementary and Secondary Education	374,852,846	42,732,646	10,789,329	337,464	428,712,285
State Library Services	4,584,240	921,141	15,833	54,325	5,575,539
Labor	4,477,961	46,561	1,447,444		5,971,966
Environmental Management	34,864,211	8,485,224	8,546,634		51,896,069
Business Regulation	3,455,270		3,883,174		7,338,444
Transportation	73,582,841	1,706,020	6,333,720	8,900	81,631,481
Executive	35,198,387	27,171,797	6,591,911	24,708	68,986,803
State	3,359,547	37,398			3,396,945
Attorney General	8,357,722	611,680	154,798		9,124,200
Treasury	2,203,876		1,407,767		3,611,643
Administration	74,282,549	184,878	3,769,280	299,355	78,536,062
Legislative	11,312,538		671,988	48,791	12,033,317
Judicial	31,789,351	231,406	1,104,957		33,125,714
Other Commissions and Agencies	12,695,170	359,985	1,286,624		14,341,779
General	7,093,778		4,715,412		11,809,190
Special Legislative Appropriations	942,429				942,429
Economic Development	5,865,246	4,800,228	1,389,933		12,055,407
Elderly Affairs	11,983,859	5,130,870	13,801		17,128,530
Children and Their Families	63,710,862	12,183,874	123,287	54,662	76,072,685
Office of Higher Education	3,096,186	192,164	134,327	1,000,000	4,422,677
Workers' Compensation			3,895		3,895
Total	$ 1,348,307,779	$ 467,134,751	$ 59,942,096	$ 3,487,534	$ 1,878,872,160

FINANCIAL SECTION

Exhibit/
Schedule

SPECIAL REVENUE FUNDS:

Combining Balance Sheets - All Special Revenue Funds B-1

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - All Special Revenue Funds B-2

Employment Insurance Funds

Combining Balance Sheets B-3

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances B-4

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit B-1-1

COMBINING BALANCE SHEETS
ALL SPECIAL REVENUE FUNDS

June 30, 1990

	Highway	Capital Center Project	Providence River Relocation-Memorial Boulevard Extension Project	Employment Insurance	Recreation Area Development
Assets					
Cash and cash equivalents	$ 1,000,000	$ 97,556	$ 293,996	$ 23,337,267	$ 3,200,000
Funds in trust				275,839,797	
Investments				7,200,000	
Receivables:					
Taxes				5,164,507	
Accounts	190,115			1,512,603	977
Due from other funds	778,624	146,485	2,007,503		
Due from other governments and agencies	48,622,653	5,763	1,625,844	1,390,570	
Total assets	$ 50,591,392	$ 249,804	$ 3,927,343	$ 314,444,744	$ 3,200,977
Liabilities and Fund Balances					
Liabilities:					
Cash overdraft	$ 2,773,543	$	$	$ 2,252,828	$ 315,159
Vouchers and accounts payable	18,017,491	33,994	812,864	931,020	246,967
Accrued payroll and fringe benefits	807,290		13,310	688,458	3,475
Due to other funds	146,485	172,243	2,274,896		
Due to other governments					56,011
Deferred revenue		43,567	804,264		
Total liabilities	21,744,809	249,804	3,905,334	3,872,306	621,612
Fund balances:					
Reserved for encumbrances	216,216,778	290,443	5,487,363	2,213,882	699,752
Reserved for employment insurance programs				310,412,651	
Other reserves			22,009		
Unreserved:					
Designated for incomplete projects					1,549,271
Undesignated	(187,370,195)	(290,443)	(5,487,363)	(2,054,095)	330,342
Total fund balances	28,846,583		22,009	310,572,438	2,579,365
Total liabilities and fund balances	$ 50,591,392	$ 249,804	$ 3,927,343	$ 314,444,744	$ 3,200,977

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit B-1-2

COMBINING BALANCE SHEETS
ALL SPECIAL REVENUE FUNDS

June 30, 1990

	Dr. John E. Donley Rehabilitation Center	Public Utilities	Second Injury Indemnity	Totals	
				June 30,1990	June 30,1989
Assets					
Cash and cash equivalents	$ 12,305,000	$ 30,156	$ 15,293,291	$ 55,557,266	$ 68,746,434
Funds in trust				275,839,797	287,019,932
Investments				7,200,000	7,200,000
Receivables:					
Taxes				5,164,507	3,052,594
Accounts		220,416		1,924,111	1,811,403
Due from other funds				2,932,612	4,192,638
Due from other governments and agencies				51,644,830	52,833,152
Total assets	$ 12,305,000	$ 250,572	$ 15,293,291	$ 400,263,123	$ 424,856,153
Liabilities and Fund Balances					
Liabilities:					
Cash overdraft	$ 553,379	$	$	$ 5,894,909	$ 2,080,779
Vouchers and accounts payable	105,789	150,627	625,314	20,924,066	16,797,849
Accrued payroll and fringe benefits	36,551		28,021	1,577,105	1,401,802
Due to other funds				2,593,624	3,027,662
Due to other governments				56,011	57,703
Deferred revenue	3,474,078		6,365,376	10,687,285	8,280,927
Total liabilities	4,169,797	150,627	7,018,711	41,733,000	31,646,722
Fund balances:					
Reserved for encumbrances	39,020	255,040	11,213	225,213,491	159,229,936
Reserved for employment insurance programs				310,412,651	338,261,411
Other reserves	5,000			27,009	48,398
Unreserved:					
Designated for incomplete projects				1,549,271	1,031,233
Undesignated	8,091,183	(155,095)	8,263,367	(178,672,299)	(105,361,547)
Total fund balances	8,135,203	99,945	8,274,580	358,530,123	393,209,431
Total liabilities and fund balances	$ 12,305,000	$ 250,572	$ 15,293,291	$ 400,263,123	$ 424,856,153

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit B-2-1

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES ALL SPECIAL REVENUE FUNDS

For the Fiscal Year Ended June 30, 1990

	Highway	Capital Center Project	Providence River Relocation-Memorial Boulevard Extension Project	Employment Insurance	Recreation Area Development
Revenues:					
Taxes - employers and employees	$	$	$	$ 158,013,364	$
Licenses, fees, sales and services					2,199,282
Intergovernmental revenues:					
Federal	120,480,928	4,457		23,605,898	
State				1,145,619	
Municipal		9,620	1,237,975	85,000	
Contributions					
Income from investments	532,082			29,095,905	308,192
Miscellaneous income		4,950	82,327	1,616,476	345,000
Total revenues	121,013,010	19,027	1,320,302	213,562,262	2,852,474
Expenditures:					
Individual and family development				212,658,731	
Economic development				26,909,486	2,121,427
Transportation	143,354,030	139,445	11,042,116		
Total expenditures	143,354,030	139,445	11,042,116	239,568,217	2,121,427
Excess (deficiency) of revenues over expenditures	(22,341,020)	(120,418)	(9,721,814)	(26,005,955)	731,047
Other financing sources (uses):					
Interfund and intrafund transfers	14,937,148	120,418	9,700,425	(2,149,674)	(657,000)
Increase (decrease) in fund balances	(7,403,872)		(21,389)	(28,155,629)	74,047
Fund balances, July 1	36,250,455		43,398	338,728,067	2,505,318
Fund balances, June 30	$ 28,846,583	$	$ 22,009	$ 310,572,438	$ 2,579,365

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit B-2-2

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES ALL SPECIAL REVENUE FUNDS

For the Fiscal Year Ended June 30, 1990

	Dr. John E. Donley Rehabilitation Center	Public Utilities	Second Injury Indemnity	Totals	
				June 30,1990	June 30,1989
Revenues:					
Taxes - employers and employees	$	$	$	$ 158,013,364	$ 158,976,898
Licenses, fees, sales and services		643,856		2,843,138	2,361,484
Intergovernmental revenues:					
Federal				144,091,283	140,361,031
State				1,145,619	687,757
Municipal				1,332,595	2,524,408
Contributions	2,941,102		5,388,228	8,329,330	6,903,793
Income from investments	1,222,031		909,894	32,068,104	29,652,058
Miscellaneous income	2,962	200	16,749	2,068,664	1,917,633
Total revenues	4,166,095	644,056	6,314,871	349,892,097	343,385,062
Expenditures:					
Individual and family development				212,658,731	147,784,498
Economic development	6,158,623	595,917	3,524,308	39,309,761	32,961,758
Transportation				154,535,591	151,395,131
Total expenditures	6,158,623	595,917	3,524,308	406,504,083	332,141,387
Excess (deficiency) of revenues over expenditures	(1,992,528)	48,139	2,790,563	(56,611,986)	11,243,675
Other financing sources (uses):					
Interfund and intrafund transfers		(18,639)		21,932,678	33,601,056
Increase (decrease) in	(1,992,528)	29,500	2,790,563	(34,679,308)	44,844,731
Fund balances, July 1	10,127,731	70,445	5,484,017	393,209,431	348,364,700
Fund balances, June 30	$ 8,135,203	$ 99,945	$ 8,274,580	$ 358,530,123	$ 393,209,431

Exhibit B-3

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINING BALANCE SHEETS
EMPLOYMENT INSURANCE SPECIAL REVENUE FUNDS

June 30, 1990

	Employment Security						R.I. Temporary Disability Insurance			Totals	
Assets	Adminis-tration	Trust	Benefit	Interest	Tardy	Job Development	Adminis-tration	Reserve	Compensation	June 30,1990	June 30,1989
Cash and cash equivalents	$ 626,238	$ 420,919	$	$ 764,813	$ 800,441	$ 2,300,000	$ 151,751	$ 18,272,645	$	$ 23,336,807	$ 39,995,830
Imprest cash	460									460	460
Funds in trust		275,839,797								275,839,797	287,019,932
Investments								7,200,000		7,200,000	7,200,000
Amounts due from federal and state agencies	1,390,570									1,390,570	1,318,916
Receivables (net of allowance for uncollectible):											
Taxes		3,751,980				185,078		1,227,449		5,164,507	3,052,594
Accounts			1,198,146						314,457	1,512,603	1,421,862
Total assets	$ 2,017,268	$ 280,012,696	$ 1,198,146	$ 764,813	$ 800,441	$ 2,485,078	$ 151,751	$ 26,700,094	$ 314,457	$ 314,444,744	$ 340,009,594
Liabilities and Fund Balances											
Liabilities:											
Cash overdraft	$	$	$ 1,055,439	$	$	$ 493,162	$	$	$ 704,227	$ 2,252,828	$ 102,660
Vouchers and accounts payable	676,235			16			254,769			931,020	581,745
Accrued payroll and fringe benefits	620,711						67,747			688,458	597,122
Total liabilities	1,296,946		1,055,439	16		493,162	322,516		704,227	3,872,306	1,281,527
Fund balances:											
Reserved for encumbrances	2,110,708						103,174			2,213,882	1,512,248
Reserved for employment insurance programs		280,012,696	142,707	764,797	800,441	1,991,916		26,700,094		310,412,651	338,261,411
Unreserved:											
Undesignated	(1,390,386)						(273,939)		(389,770)	(2,054,095)	(1,045,592)
Total fund balances (deficit)	720,322	280,012,696	142,707	764,797	800,441	1,991,916	(170,765)	26,700,094	(389,770)	310,572,438	338,728,067
Total liabilities and fund balances	$ 2,017,268	$ 280,012,696	$ 1,198,146	$ 764,813	$ 800,441	$ 2,485,078	$ 151,751	$ 26,700,094	$ 314,457	$ 314,444,744	$ 340,009,594

Exhibit B-4

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
EMPLOYMENT INSURANCE SPECIAL REVENUE FUNDS

For the Fiscal Year Ended June 30, 1990

	Employment Security						R.I. Temporary Disability Insurance			Totals	
	Adminis-tration	Trust	Benefit	Interest	Tardy	Job Development	Adminis-tration	Reserve	Compensation	June 30,1990	June 30,1989
Revenues:											
Taxes - employers' and employees'	$	$ 107,520,010	$	$	$	$ 4,115,498	$	$ 46,377,856	$	$ 158,013,364	$ 158,976,898
Intergovernmental revenue:											
Federal	19,972,770		3,633,128							23,605,898	21,046,391
State		1,145,619								1,145,619	687,757
Muncipal			85,000							85,000	280,000
Income from investments				59,488	78,628	101,580		3,108,915		3,348,611	4,379,720
Interest earnings-funds in trust		25,747,294								25,747,294	22,849,978
Refunds and miscellaneous income	223,392	151,217	456		7,721			8,733	71,825	463,344	557,568
Interest and penalties on delinquent payments				253,313	899,819					1,153,132	1,257,318
Total revenues	20,196,162	134,564,140	3,718,584	312,801	986,168	4,217,078		49 495,504	71,825	213,562,262	210,035,630
Expenditures:											
Economic development - employment resources	22,091,482			570			4,817,434			26,909,486	24,015,185
Individual and family development - benefits paid			148,557,740						64,100,991	212,658,731	147,784,498
Total expenditures	22,091,482		148,557,740	570			4,817,434		64,100,991	239,568,217	171,799,683
Excess (deficiency) of revenues over expenditures	(1,895,320)	134,564,140	(144,839,156)	312,231	986,168	4,217,078	(4,817,434)	49,495,504	(64,029,166)	(26,005,955)	38,235,947
Other financing sources (uses):											
Interfund transfers	1,998,250	(143,600,000)	143,884,958	(538,250)	(1,460,000)	(2,434,632)	4,797,405	(68,097,405)	63,300,000	(2,149,674)	(1,025,005)
Increase (decrease) in fund balances	102,930	(9,035,860)	(954,198)	(226,019)	(473,832)	1,782,446	(20,029)	(18,601,901)	(729,166)	(28,155,629)	37,210,942
Fund balances (deficit), July 1	617,392	289,048,556	1,096,905	990,816	1,274,273	209,470	(150,736)	45,301,995	339,396	338,728,067	301,517,125
Fund balances (deficit), June 30	$ 720,322	$ 280,012,696	$ 142,707	$ 764,797	$ 800,441	$ 1,991,916	$ (170,765)	$ 26,700,094	$ (389,770)	$ 310,572,438	$ 338,728,067

FINANCIAL SECTION

Exhibit/ Schedule

UNIVERSITY AND COLLEGE FUNDS:

Combining Balance Sheet - Governmental Fund Types C-1

Combining Balance Sheet - Fiduciary Fund Types C-2

Combining Statement of General Long-Term Debt - Account Group C-3

University of Rhode Island

Combined Balance Sheet - All Fund Types and Account Groups C-4

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - All Governmental Fund Types . . C-5

Statement of Revenues, Expenditures, and Encumbrances - Budget and Actual - General Educational Fund C-6

Rhode Island College

Combined Balance Sheet - All Fund Types and Account Groups C-7

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - All Governmental Fund Types C-8

Statement of Revenues, Expenditures, and Encumbrances - Budget and Actual - General Educational Fund C-9

Community College of Rhode Island

Combined Balance Sheet - All Fund Types and Account Groups C-10

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - All Governmental Fund Types C-11

Statement of Revenues, Expenditures, and Encumbrances - Budget and Actual - General Educational Fund C-12

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit C-1

UNIVERSITY AND COLLEGES
COMBINING BALANCE SHEET - GOVERNMENTAL FUND TYPES

June 30, 1990

Assets	University of Rhode Island (C-4)	Rhode Island College (C-7)	Community College of Rhode Island (C-10)	Totals (memorandum only)	
				June 30, 1990	June 30, 1989
Cash and cash equivalents	$ 16,739,371	$ 4,723,210	$ 3,668,932	$ 25,131,513	$ 21,559,228
Investments	56,180			56,180	56,180
Funds on deposit with trustee:					
For retirement of general long-term debt	2,780,861	1,513,109	806,100	5,100,070	2,616,861
For renewals and replacements	1,659,675	684,379	147,646	2,491,700	2,039,324
For capital projects	6,938,461	5,911,296	17,595	12,867,352	
Receivables (net, where applicable, of allowance for doubtful accounts of $988,638)	4,624,705	1,142,786	469,960	6,237,451	5,254,320
Accrued interest receivable	18,144	18,359		36,503	38,792
Due from other funds	1,682,137	71,991	236,322	1,990,450	949,218
Loans and notes receivable (net of allowance for doubtful loans of $1,229,596)	7,951,846	2,908,959		10,860,805	10,244,135
Unbilled charges - current	6,004,868			6,004,868	3,686,063
Other assets	55,410			55,410	56,187
Inventory	1,371,200	355,139	277,251	2,003,590	2,024,324
Total assets	$ 49,882,858	$ 17,329,228	$ 5,623,806	$ 72,835,892	$ 48,524,632
Liabilities and Fund Balances					
Liabilities:					
Cash overdraft	$	$	$	$	$ 69,729
Accounts payable and accrued expenses	8,823,918	2,821,446	1,877,566	13,522,930	12,480,162
Due to other funds	1,668,257	54,978	198,170	1,921,405	927,324
Deferred revenue	5,372,111	1,230,763	699,710	7,302,584	5,409,469
Total liabilities	15,864,286	4,107,187	2,775,446	22,746,919	18,886,684
Fund balances (deficit):					
Portion of expenditures funded through 1990 budget					(118,083)
Reserved for:					
Encumbrances	5,614,565	529,045	516,967	6,660,577	6,053,498
Academic college overhead	916,727			916,727	845,498
Retirement of general long-term debt	2,806,948	1,492,842	800,280	5,100,070	2,653,968
Capital projects	6,938,461	6,412,326	17,595	13,368,382	
Renewals and replacements	2,005,241	694,155	147,646	2,847,042	2,218,283
Sponsored programs and student aid	(80,302)	31,318	11,337	(37,647)	75,941
Loan fund	8,212,911	3,069,313		11,282,224	10,860,650
Auxiliary enterprises	5,058,978	968,773		6,027,751	4,978,583
Restricted grants, gifts, and aid	1,093,747			1,093,747	882,374
Public facilities asset protection	337,648			337,648	
Trust indenture			1,354,535	1,354,535	1,112,631
Landscaping fund		24,269		24,269	9,846
Unreserved:					
Designated for subeequent year's expenditures	1,113,648			1,113,648	64,759
Total fund balances	34,018,572	13,222,041	2,848,360	50,088,973	29,637,948
Total liabilities and fund balances	$ 49,882,858	$ 17,329,228	$ 5,623,806	$ 72,835,892	$ 48,524,632

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit C-2

UNIVERSITY AND COLLEGES
COMBINING BALANCE SHEET - FIDUCIARY FUND TYPES

June 30, 1990

	University of Rhode Island (C-4)	Rhode Island College (C-7)	Community College of Rhode Island (C-10)	Totals (memorandum only) June 30, 1990	Totals (memorandum only) June 30, 1989
Assets					
Cash and cash equivalents	$ 182,017	$ 451,732	$ 125,802	$ 759,551	$ 714,667
Investments	826			826	826
Receivables	7,387			7,387	21,500
Due from other funds			1,848	1,848	7,917
Total assets	$ 190,230	$ 451,732	$ 127,650	$ 769,612	$ 744,910
Liabilities					
Accounts payable and accrued expenses	$ 4,077	$ 103	$	$ 4,180	$ 6,997
Deposits held in custody for others	172,273	434,616	87,650	694,539	708,102
Due to other funds	13,880	17,013	40,000	70,893	29,811
Total liabilities	$ 190,230	$ 451,732	$ 127,650	$ 769,612	$ 744,910

Exhibit C-3

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

UNIVERSITY AND COLLEGES

ACCOUNT GROUP - GENERAL LONG-TERM DEBT

June 30, 1990

	University of Rhode Island (C-4)	Rhode Island College (C-7)	Community College of Rhode Island (C-10)	Totals (memorandum only) June 30, 1990	Totals (memorandum only) June 30, 1989
Amounts available in debt service fund	$ 2,827,452	$ 1,513,109	$ 806,100	$ 5,146,661	$ 2,653,968
Amount to be provided for retirement of general long-term debt	11,216,265	8,610,196	2,361,491	22,187,952	8,896,032
Amount to be provided for retirement of capital lease obligations	1,911,309	4,769,122	3,036,580	9,717,011	6,879,536
Total available and to be provided	$ 15,955,026	$ 14,892,427	$ 6,204,171	$ 37,051,624	$ 18,429,536

	University of Rhode Island (C-4)	Rhode Island College (C-7)	Community College of Rhode Island (C-10)	Totals (memorandum only) June 30, 1990	Totals (memorandum only) June 30, 1989
Bonds payable	$ 14,043,717	$ 10,123,305	$ 2,821,000	$ 26,988,022	$ 11,550,000
Obligations under capital leases	1,911,309	4,769,122	3,383,171	10,063,602	6,879,536
Total general long-term debt	$ 15,955,026	$ 14,892,427	$ 6,204,171	$ 37,051,624	$ 18,429,536

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit C-4

UNIVERSITY OF RHODE ISLAND
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

June 30, 1990

	Governmental fund types				Fiduciary fund type	Account groups		Totals (memorandum only)	
Assets	General educational	Special revenue	Debt service	Capital projects	Agency	General fixed assets (unaudited)	General long-term debt	June 30, 1990	June 30, 1989
Cash and cash equivalents	$ 14,488,098	$ 2,218,992	$ 32,281	$	$182,017	$	$	$ 16,921,388	$ 14,248,418
Investments, at cost		56,180			826			57,006	57,006
Funds on deposit with trustee:									
For retirement of general long-term debt			2,780,861					2,780,861	1,781,688
For renewals and replacements		1,659,675						1,659,675	1,251,142
For capital projects				6,938,461				6,938,461	
Receivables (net, where applicable, of allowance for doubtful accounts of $543,720)	586,015	4,001,514		37,176	1,647			4,626,352	3,880,765
Accrued interest receivable		4,031	14,113					18,144	8,908
Loans and notes receivable (net of allowance for doubtful loans of $724,929)		7,951,846			5,740			7,957,586	7,594,459
Unbilled charges - current		6,004,868						6,004,868	3,686,063
Inventory	361,599	1,009,601						1,371,200	1,466,410
Due from other funds	1,681,940		197					1,682,137	504,305
Other assets	16,500	38,910						55,410	56,187
Land and improvements						8,037,124		8,037,124	8,037,124
Buildings						153,336,121		153,336,121	151,604,873
Equipment						32,176,895		32,176,895	29,205,673
Amounts available in debt service fund							2,827,452	2,827,452	1,818,795
Amount to be provided for retirement of capital lease obligations							1,911,309	1,911,309	1,086,448
Amount to be provided for retirement of general long term debt							11,216,265	11,216,265	4,361,205
Total assets	$ 17,134,152	$ 22,945,617	$ 2,827,452	$6,975,637	$190,230	$193,550,140	$15,955,026	$259,578,254	$230,649,469
Liabilities and Fund Equity									
Liabilities:									
Cash overdraft	$	$	$	$	$	$	$	$	$ 69,729
Accounts payable and accrued expenses	6,226,939	2,576,475	20,504		4,077			8,827,995	7,710,148
Due to other funds		1,631,081		37,176	13,880			1,682,137	504,305
Deposits held in custody for others					172,273			172,273	151,871
Deferred revenue	3,262,273	2,109,838						5,372,111	3,786,952
Capital lease obligations							1,911,309	1,911,309	1,066,448
Bonds payable							14,043,717	14,043,717	6,180,000
Total liabilities	9,489,212	6,317,394	20,504	37,176	190,230		15,955,026	32,009,542	19,489,453
Fund equity:									
Investment in general fixed assets						193,550,140		193,550,140	188,847,670
Fund balances:									
Reserved for:									
Academic college overhead	916,727							916,727	845,498
Retirement of general long-term debt			2,806,948					2,806,948	1,818,795
Capital projects				6,938,461				6,938,461	
Renewals and replacements		2,005,241						2,005,241	1,407,946
Auxiliary enterprises		5,058,978						5,058,978	4,119,071
Restricted grants, gifts, and aid		1,093,747						1,093,747	882,374
Public facilities asset protection		337,648						337,648	
Sponsored programs		(80,302)						(80,302)	32,157
Loan fund		8,212,911						8,212,911	7,907,723
Encumbrances	5,614,565							5,614,565	5,298,782
Unreserved:									
Designated for subsequent year's expenditures	1,113,648							1,113,648	
Total fund balances	7,644,940	16,628,223	2,806,948	6,938,461				34,018,572	22,312,346
Total fund equity	7,644,940	16,628,223	2,806,948	6,938,461		193,550,140		227,568,712	211,160,016
Total liabilities and fund equity	$ 17,134,152	$ 22,945,617	$ 2,827,452	$6,975,637	$190,230	$193,550,140	$15,955,026	$259,578,254	$230,649,469

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit C-5

UNIVERSITY OF RHODE ISLAND
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES

For the Fiscal Year Ended June 30, 1990

	Governmental fund types				Totals (memorandum only)	
	General educational	Special revenue	Debt service	Capital Projects	June 30, 1990	June 30, 1989
Revenues:						
Student tuition and fees	$ 44,118,285	$	$	$	$ 44,118,285	$ 40,447,614
Grants, gifts, and student aid:						
Federal	4,586,757	26,466,832	40,994		31,094,583	29,697,271
State	146,823	2,541,577			2,688,400	3,070,904
Private		4,926,170			4,926,170	4,248,427
State asset protection		576,000			576,000	706,127
Auxiliary enterprises		28,466,187			28,466,187	26,827,503
Other sources, including interest income	6,691,964	939,304	147,621	1,387	7,780,276	7,161,940
Total revenues	55,543,829	63,916,070	188,615	1,387	119,649,901	112,159,786
Expenditures:						
Personnel services	94,351,060	15,539,962			109,891,022	103,952,970
Operating:						
Cost of sales		5,662,105			5,662,105	5,659,117
Out of state travel	399,581	212,707			612,288	865,277
Repairs	1,600,452	748,414			2,348,866	3,154,682
Utilities	3,523,451	1,451,273			4,974,724	4,321,927
Other	10,131,046	5,254,505			15,385,551	16,184,558
Sponsored programs		26,105,968			26,105,968	25,618,103
Student aid	6,566,267	3,897,555			10,463,822	9,991,776
Capital	4,791,399	2,167,861			6,959,260	7,543,403
Bond issuance costs				259,340	259,340	
Debt service:						
University obligations			1,029,637		1,029,637	1,081,003
State obligations	1,949,060				1,949,060	2,167,212
Total expenditures	123,312,316	61,040,350	1,029,637	259,340	185,641,643	180,540,028
Excess (deficiency) of revenues over expenditures	(67,768,487)	2,875,720	(841,022)	(257,953)	(65,991,742)	(68,380,242)
Other financing sources (uses):						
State appropriations	69,331,251				69,331,251	68,670,918
Proceeds of bond issuance				8,366,717	8,366,717	
Operating transfers in		385,806	2,152,877		2,538,683	1,048,568
Operating transfers out:						
Mandatory	(62,104)	(982,574)		(1,170,303)	(2,214,981)	(1,048,568)
Non-mandatory			(323,702)		(323,702)	
Total other financing sources (uses)	69,269,147	(596,768)	1,829,175	7,196,414	77,697,968	68,670,918
Excess of revenues and other financing sources over expenditures and other financing uses	1,500,660	2,278,952	988,153	6,938,461	11,706,226	290,676
Fund balances, July 1	6,144,280	14,349,271	1,818,795		22,312,346	22,021,670
Fund balances, June 30	$ 7,644,940	$ 16,628,223	$ 2,806,948	$ 6,938,461	$ 34,018,572	$ 22,312,346

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit C-6

UNIVERSITY OF RHODE ISLAND
STATEMENT OF REVENUES, EXPENDITURES, AND ENCUMBRANCES - BUDGET AND ACTUAL - GENERAL EDUCATIONAL FUND

Year Ended June 30, 1990

	Budget			Variance	
	Executive/ legislative as enacted	Board of Governors for Higher Education final allocation	Actual	Executive/ legislative favorable** (unfavorable)	Board of Governors favorable** (unfavorable)
Revenues:					
Student tuition and fees	$ 40,825,296	$ 43,872,182	$ 44,118,285	$ 3,292,989	$ 246,103
Indirect costs recovered:					
Grants and contracts	4,000,000	4,445,498	4,733,580	733,580	288,082
Auxiliary enterprises	1,544,909	1,544,909	1,544,909		
Other sources	4,504,111	5,290,655	5,147,055	642,944	(143,600)
Total revenues	50,874,316	55,153,244	55,543,829	4,669,513	390,585
Expenditures and encumbrances:					
Personnel services	87,343,210	93,163,591	91,730,021 *	(4,386,811)	1,433,570
Operating:					
Out of state travel	189,441	293,223	238,425 *	(48,984)	54,798
Repairs	2,076,354	1,857,793	1,663,444 *	412,910	194,349
Utilities	3,491,378	3,424,122	3,532,147 *	(40,769)	(108,025)
Other	12,448,937	12,071,092	12,111,967 *	336,970	(40,875)
Total operating	18,206,110	17,646,230	17,545,983 *	660,127	100,247
Student aid	6,396,261	6,689,118	6,591,625 *	(195,364)	97,493
Capital	6,286,568	3,706,240	4,942,106 *	1,344,462	(1,235,866)
Debt service	1,947,059	1,947,059	1,949,060	(2,001)	(2,001)
Academic college overhead	2,000,000	2,645,498	2,216,408	(216,408)	429,090
Total expenditures and encumbrances	122,179,208	125,797,736	124,975,203	(2,795,995)	822,533
Excess (deficiency) of revenues over expenditures and encumbrances	(71,304,892)	(70,644,492)	(69,431,374)	1,873,518	1,213,118
Other financing sources:					
State appropriations	71,304,892 ***	69,359,492	69,331,251	(1,973,641)	(28,241)
1989 academic college overhead carryforward			845,498	845,498	845,498
1989 encumbrances carried forward and cancelled in 1990		1,285,000	1,285,000	1,285,000	
Excess of revenues and other financing sources over expenditures and encumbrances			2,030,375	2,030,375	2,030,375
Allocation to:					
Academic college overhead			(916,727)	(916,727)	(916,727)
Designated for subsequent year's expenditures			(1,113,648)	(1,113,648)	(1,113,648)
Excess of revenues and other financing sources over expenditures and encumbrances after allocations	$	$	$	$	$

* Includes year end encumbrances.

** A favorable variance indicates that actual revenues are greater than budget or actual expenditures and encumbrances are less than budget. An unfavorable variance indicates that actual revenues are less than budget or actual expenditures and encumbrances are greater than budget.

*** During the fiscal year, the State imposed budget recisions upon certain agencies. The University's share of such recisions amounted to $2,120,642.

Exhibit C-7

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

RHODE ISLAND COLLEGE
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

June 30, 1990

	Governmental fund types				Fiduciary fund type	Account groups		Totals (memorandum only)	
Assets	General educational	Special revenue	Debt service	Capital projects	Agency	General fixed assets (unaudited)	General long-term debt	June 30, 1990	June 30, 1989
Cash and cash equivalents	$ 3,165,181	$ 989,924	$	$ 568,106	$ 451,732	$	$	$ 5,174,942	$ 5,289,508
Funds on deposit with trustee:									
For retirement of general long term debt			1,513,109					1,513,109	411,997
For renewals and replacements		684,379						684,379	651,691
For capital projects				5,911,296				5,911,296	
Receivables (net, where applicable, of allowance for doubtful accounts of $416,846)	214,538	873,270		54,978				1,142,786	914,762
Accrued interest receivable		18,359						18,359	29,881
Due from other funds	64,181	7,810						71,991	369,542
Loans and notes receivable (net of allowance for doubtful loans of $504,667)		2,908,959						2,908,959	2,655,098
Inventory		355,139						355,139	300,261
Land						2,905,826		2,905,826	2,382,143
Buildings						33,306,784		33,306,784	29,574,782
Equipment						20,657,679		20,657,679	19,352,315
Amounts available in debt service fund							1,513,109	1,513,109	411,997
Amount to be provided for capital lease payments							4,769,122	4,769,122	4,964,388
Amount to be provided for retirement of general long-term debt							8,610,196	8,610,196	2,057,003
Total assets	$ 3,443,900	$ 5,837,840	$1,513,109	$6,534,379	$ 451,732	$ 56,870,289	$14,892,427	$ 89,543,676	$ 69,365,374
Liabilities and Fund Equity									
Liabilities:									
Accounts payable and accrued expenses	$ 2,169,351	$ 631,828	$ 20,267	$	$ 103	$	$	$ 2,821,549	$ 3,104,614
Due to other funds				54,978	17,013			71,991	369,542
Deposits held in custody for others					434,616			434,616	497,635
Deferred revenue	812,579	418,184						1,230,763	994,521
Obligations under capital leases							4,769,122	4,769,122	4,964,388
Bonds payable							10,123,305	10,123,305	2,469,000
Total liabilities	2,981,930	1,050,012	20,267	54,978	451,732		14,892,427	19,451,346	12,399,700
Fund equity:									
Investment in general fixed assets						56,870,289		56,870,289	51,309,240
Fund balances:									
Reserved for:									
Encumbrances	461,970			67,075				529,045	663,871
Retirement of general long-term debt			1,492,842					1,492,842	411,997
Renewals and replacements		694,155						694,155	673,846
Sponsored programs and student aid		31,318						31,318	19,676
Loan fund:									
Federal government grants refundable		2,717,176						2,717,176	2,611,934
College funds - restricted		352,137						352,137	340,993
Auxiliary enterprises		968,773						968,773	859,512
Capital projects				6,412,326				6,412,326	
Landscaping fund		24,269						24,269	9,846
Unreserved:									
Designated for subsequent years' expenditures									64,759
Total fund balances	461,970	4,787,828	1,492,842	6,479,401				13,222,041	5,656,434
Total fund equity	461,970	4,787,828	1,492,842	6,479,401		56,870,289		70,092,330	56,965,674
Total liabilities and fund equity	$ 3,443,900	$ 5,837,840	$1,513,109	$6,534,379	$ 451,732	$ 56,870,289	$14,892,427	$ 89,543,676	$ 69,365,374

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit C-8

RHODE ISLAND COLLEGE
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES

For the Fiscal Year Ended June 30, 1990

	Governmental fund types				Totals (memorandum only)	
	General educational	Special revenue	Debt service	Capital projects	June 30, 1990	June 30, 1989
Revenues:						
Student tuition and fees	$ 13,641,874	$	$	$	$ 13,641,874	$ 11,344,063
Federal appropriations			23,310		23,310	23,310
Grants and student aid:						
Federal	75,606	4,674,822			4,750,428	4,300,685
State	416,869	1,258,089			1,674,958	2,259,472
State asset protection		238,000			238,000	509,317
Educational activities	808,528				808,528	779,722
Auxiliary enterprises		6,120,033			6,120,033	5,298,068
Other sources, including interest income	437,318	308,134	25,422	61,536	832,410	694,617
Total revenues	15,380,195	12,599,078	48,732	61,536	28,089,541	25,209,254
Expenditures:						
Personnel services	37,157,722	4,682,769			41,840,491	38,279,866
Operating:						
Cost of sales		2,062,113			2,062,113	1,679,726
Out of state travel	58,601	41,745			100,346	134,192
Repairs	1,346,322	559,065			1,905,387	2,972,293
Utilities	1,090,969	249,030			1,339,999	1,210,781
Other	3,697,523	1,480,107		54,978	5,232,608	4,802,966
Student aid	1,932,685	2,960,019			4,892,704	4,406,380
Capital	1,182,646	146,818		759,040	2,088,504	1,807,422
Bond issuance costs				272,618	272,618	
Debt service:						
College obligations			240,055		240,055	231,973
State obligations	785,826				785,826	791,803
Total expenditures	47,252,294	12,181,666	240,055	1,086,636	60,760,651	56,317,402
Excess (deficiency) of revenues over expenditures	(31,872,099)	417,412	(191,323)	(1,025,100)	(32,671,110)	(31,108,148)
Other financing sources (uses):						
State appropriations	31,917,412				31,917,412	31,285,719
Proceeds of bond issuance				7,793,305	7,793,305	
Proceeds from sale of land/building	526,000				526,000	550,000
Operating transfers in:						
Mandatory		56,695	187,586		244,281	216,123
Non-mandatory				526,000	526,000	421,111
Operating transfers out:						
Mandatory	(42,195)	(202,086)	1,084,582	(1,084,582)	(244,281)	(216,123)
Non-mandatory	(526,000)				(526,000)	(421,111)
Total other financing sources (uses)	31,875,217	(145,391)	1,272,168	7,234,723	40,236,717	31,835,719
Excess of revenues and other financing sources over expenditures and other financing uses	3,118	272,021	1,080,845	6,209,623	7,565,607	727,571
Fund balances, July 1	458,852	4,515,807	411,997	269,778	5,656,434	4,928,863
Fund balances, June 30	$ 461,970	$ 4,787,828	$ 1,492,842	$ 6,479,401	$ 13,222,041	$ 5,656,434

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit C-9

RHODE ISLAND COLLEGE
STATEMENT OF REVENUES, EXPENDITURES, AND ENCUMBRANCES - BUDGET AND ACTUAL - GENERAL EDUCATIONAL FUND

For the Fiscal Year Ended June 30, 1990

	Budget			Variance	
	Executive/ legislative as enacted	Board of Governors for Higher Education - final allocation	Actual	Executive/ legislative favorable** (unfavorable)	Board of Governors favorable** (unfavorable)
Revenues:					
Student tuition and fees	$ 11,268,103	$ 12,477,510	$ 13,064,486	$ 1,796,383	$ 586,976
Indirect cost recovered:					
Grants and contracts	120,000	120,000	148,781	28,781	28,781
Auxiliary enterprises	343,695	343,695	343,695		
Sales and services, educational activities	1,540,000	1,510,000	1,573,520	33,520	63,520
Investment income	230,000	210,000	249,714	19,714	39,714
Total revenues	13,501,798	14,661,205	15,380,196	1,878,398	718,991
Expenditures and encumbrances:					
Personnel services	35,619,132	36,618,335	36,901,626 *	(1,282,494)	(283,291)
Operating:					
Out of state travel	80,872	60,000	58,601	22,271	1,399
Repairs	1,647,180	960,264	1,274,023 *	373,157	(313,759)
Utilities	925,628	1,043,604	1,090,969 *	(165,341)	(47,365)
Workers' compensation	162,268	265,000	271,770 *	(109,502)	(6,770)
Other	3,773,949	3,787,033	3,691,254 *	82,695	95,779
Total operating	6,589,897	6,115,901	6,386,617	203,280	(270,716)
Student aid	1,852,548	1,852,548	1,932,685	(80,137)	(80,137)
Capital	1,347,000	1,180,000	1,231,978 *	115,022	(51,978)
Debt service - state obligations	900,326	900,326	785,826	114,500	114,500
Academic college overhead	30,000	30,000	37,407	(7,407)	(7,407)
Total expenditures and encumbrances	46,338,903	46,697,110	47,276,139	(937,236)	(579,029)
Excess (deficiency) of revenues over expenditures and encumbrances	(32,837,105)	(32,035,905)	(31,895,943)	941,162	139,962
Other financing sources (uses):					
State appropriations	32,849,105 ***	32,047,905	31,917,412	(931,693)	(130,493)
Proceeds from sale of land/building			526,000	526,000	526,000
Operating transfers out.					
Mandatory	(12,000)	(12,000)	(42,195)	(30,195)	(30,195)
Non-mandatory			(526,000)	(526,000)	(526,000)
Excess (deficiency) of revenues and other financing sources over expenditures, encumbrances, and other financing uses	$	$	$ (20,726)	$ (20,726)	$ (20,726)

* Includes year end encumbrances.

** A favorable variance indicates that actual revenues are greater than budget or actual expenditures and encumbrances are less than budget. An unfavorable variance indicates that actual revenues are less than budget or actual expenditures and encumbrances are greater than budget.

*** During the fiscal year, the State imposed budget recisions upon certain agencies. The College's share of such recisions amounted to $981,193.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit C-10

COMMUNITY COLLEGE OF RHODE ISLAND
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

June 30, 1990

	Governmental fund types				Fiduciary fund type	Account groups		Totals (memorandum only)	
Assets	General educational	Special revenue	Debt service	Capital Projects	Agency	General fixed assets (unaudited)	General long-term debt	June 30, 1990	June 30, 1989
Cash and cash equivalents	$ 2,457,098	$ 1,211,834	$	$	$ 125,802	$	$	$ 3,794,734	$ 2,735,969
Funds on deposit with trustee:									
For retirement of general long-term debt			806,100					806,100	423,176
For renewals and replacements		147,646						147,646	136,491
For capital projects				17,595				17,595	
Receivables (net, where applicable, of allowance for doubtful accounts of $28,072)	151,324	318,636						469,960	474,871
Inventory		277,251						277,251	257,650
Due from other funds	40,000	196,322			1,848			238,170	83,288
Land						973,283		973,283	428,283
Buildings						38,676,033		38,676,033	36,935,866
Equipment						14,929,919		14,929,919	14,413,942
Amounts available in debt service fund							806,100	806,100	423,176
Amount to be provided for capital lease payments							3,036,580	3,036,580	828,700
Amount to be provided for retirement of general long-term debt							2,361,491	2,361,491	2,477,824
Total assets	$ 2,648,422	$ 2,151,689	$ 806,100	$ 17,595	$ 127,650	$ 54,579,235	$ 6,204,171	$ 66,534,862	$ 59,619,236
Liabilities and Fund Equity									
Liabilities:									
Accounts payable and accrued expenses	$ 1,566,543	$ 305,203	$ 5,820	$	$	$	$	$ 1,877,566	$ 1,672,397
Due to other funds	15,915	182,255			40,000			238,170	83,288
Deposits held in custody for others					87,650			87,650	58,596
Deferred revenue	616,597	83,113						699,710	627,996
Bonds payable							2,821,000	2,821,000	2,901,000
Obligations under capital leases							3,383,171	3,383,171	828,700
Total liabilities	2,199,055	570,571	5,820		127,650		6,204,171	9,107,267	6,171,977
Fund equity:									
Investment in general fixed assets						54,579,235		54,579,235	51,778,091
Fund balances:									
Portion of expenditures funded through 1990 budget									(118,083)
Reserved for:									
Trust indenture		1,354,535						1,354,535	1,112,631
Retirement of general long-term debt			800,280					800,280	423,176
Renewals and replacements		147,646						147,646	136,491
Encumbrances	449,367	67,600						516,967	90,845
Sponsored programs		11,337						11,337	24,108
Capital projects				17,595				17,595	
Total fund balances	449,367	1,581,118	800,280	17,595				2,848,360	1,669,168
Total fund equity	449,367	1,581,118	800,280	17,595		54,579,235		57,427,595	53,447,259
Total liabilities and fund equity	$ 2,648,422	$ 2,151,689	$ 806,100	$ 17,595	$ 127,650	$ 54,579,235	$ 6,204,171	$ 66,534,862	$ 59,619,236

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit C-11

COMMUNITY COLLEGE OF RHODE ISLAND
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES

For the Fiscal Year Ended June 30, 1990

	Governmental fund types				Totals (memorandum only)	
	General educational	Special revenue	Debt service	Capital projects	June 30, 1990	June 30, 1989
Revenues:						
Student tuition and fees	$ 10,390,134	$	$	$	$ 10,390,134	$ 8,924,161
Grants and student aid:						
Federal	82,765	3,265,794			3,348,559	2,745,914
State	93,066	1,209,889			1,302,955	1,508,827
Private	17,559	273,932			291,491	110,943
State asset protection		186,000			186,000	161,556
Auxiliary enterprises		3,094,210			3,094,210	2,796,565
Investment income	180,777	94,934	36,407		312,118	279,774
Other sources	743,958				743,958	744,697
Total revenues	11,508,259	8,124,759	36,407		19,669,425	17,272,440
Expenditures:						
Personnel services	31,030,846	403,977			31,434,823	29,254,719
Operating:						
Cost of sales		2,184,716			2,184,716	1,991,170
Out of state travel	28,831				28,831	47,937
Repairs	671,257				671,257	586,533
Utilities	1,367,142	28,188			1,395,330	1,236,333
Other	3,146,812	133,932			3,280,744	3,055,382
Sponsored programs		2,089,096			2,089,096	2,071,760
Student aid	656,883	2,673,290			3,330,173	2,693,684
Capital	728,435	130,193			858,628	1,783,975
Bond issuance costs				71,708	71,708	
Debt service:						
College obligations			173,479		173,479	177,304
State obligations	1,333,701				1,333,701	1,456,867
Total expenditures	38,963,907	7,643,392	173,479	71,708	46,852,486	44,355,664
Excess (deficiency) of revenues over expenditures	(27,455,648)	481,367	(137,072)	(71,708)	(27,183,061)	(27,083,224)
Other financing sources (uses):						
State appropriations	27,932,253				27,932,253	27,016,739
Proceeds of bond issuance				2,430,000	2,430,000	
Operating transfers in:						
Mandatory			514,176		514,176	177,304
Operating transfers out:						
Mandatory		(173,479)		(340,697)	(514,176)	(177,304)
Acquisition of land and building through capital lease				(2,000,000)	(2,000,000)	
Total other financing sources (uses)	27,932,253	(173,479)	514,176	89,303	28,362,253	27,016,739
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	476,605	307,888	377,104	17,595	1,179,192	(66,485)
Fund balances, July 1	(27,238)	1,273,230	423,176		1,669,168	1,735,653
Fund balances, June 30	$ 449,367	$ 1,581,118	$ 800,280	$ 17,595	$ 2,848,360	$ 1,669,168

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit C-12

COMMUNITY COLLEGE OF RHODE ISLAND
STATEMENT OF REVENUES, EXPENDITURES, AND ENCUMBRANCES
BUDGET AND ACTUAL - GENERAL EDUCATIONAL FUND

For the Fiscal Year Ended June 30, 1990

	Budget			Variance	
	Executive/ legislative as enacted	Board of Governors for Higher Education - final allocation	Actual	Executive/ legislative favorable** (unfavorable)	Board of Governors favorable** (unfavorable)
Revenues:					
Student tuition and fees	$ 8,639,112	$ 10,167,534	$ 10,390,134	$ 1,751,022	$ 222,600
Indirect costs recovered:					
Grants and contracts	129,000	158,999	193,390	64,390	34,391
Auxiliary enterprises	73,151	73,151	74,883	1,732	1,732
Other sources	766,470	771,990	849,852	83,382	77,862
Total revenues	9,607,733	11,171,674	11,508,259	1,900,576	336,585
Expenditures and encumbrances:					
Personnel services	29,206,155	31,048,657	31,037,747 *	(1,831,592)	10,910
Operating:					
Out of state travel	53,249	42,000	28,831	24,418	13,169
Repairs	900,746	724,797	683,849 *	216,897	40,948
Utilities	1,338,977	1,425,172	1,367,142	(28,165)	58,030
Other	3,756,547	3,021,482	3,212,871 *	543,676	(191,389)
Workers' compensation	49,398	49,398	62,457	(13,059)	(13,059)
Total operating	6,098,917	5,262,849	5,355,150	743,767	(92,301)
Student aid	681,014	631,014	656,883	24,131	(25,869)
Capital	950,786	839,893	1,057,031 *	(106,245)	(217,138)
Debt service, state obligations	1,333,701	1,333,701	1,333,701		
Total expenditures and encumbrances	38,270,573	39,116,114	39,440,512	(1,169,939)	(324,398)
Excess (deficiency) of revenues over expenditures and encumbrances	(28,662,840)	(27,944,440)	(27,932,253)	730,587	12,187
Other financing sources:					
State appropriations	28,662,840 ***	27,944,440	27,932,253	(730,587)	(12,187)
Excess of revenues and other financing sources over expenditures and encumbrances	$	$	$	$	$

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* Includes year end encumbrances.

** A favorable variance indicates that actual revenues are greater than budget or actual expenditures and encumbrances are less than budget. An unfavorable variance indicates that actual revenues are less than budget or actual expenditures and encumbrances are greater than budget.

*** During the fiscal year, the State imposed budget recisions upon certain agencies. The College's share of such recisions amounted to $981,193.

FINANCIAL SECTION

Exhibit/ Schedule

CAPITAL PROJECTS FUNDS:

Balance Sheets D-1

Statement of Revenues, Expenditures, and Changes in Fund Balances D-2

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit D-1

CAPITAL PROJECTS FUNDS
BALANCE SHEETS

June 30, 1990 and 1989

	R.I. Clean Water Act Environmental Trust Fund	Agricultural Land Preservation Fund	Bond Capital Fund	Certificates of Participation	Totals 1990	Totals 1989
Assets						
Cash and cash equivalents	$	$ 80,000	$ 28,569,815	$	$ 28,649,815	$ 55,696,146
Funds on deposit with trustee				30,577,293	30,577,293	
Fines and penalties receivable	66,500				66,500	82,000
Due from federal government			3,025,819		3,025,819	2,889,215
Total assets	$ 66,500	$ 80,000	$ 31,595,634	$ 30,577,293	$ 62,319,427	$ 58,667,361
Liabilities and Fund Balances						
Liabilities:						
Cash overdraft	$ 220,404	$ 18,004	$ 1,377,928	$	$ 1,616,336	$ 9,801,683
Vouchers and accounts payable	226,453		7,272,979	5,342,711	12,842,143	6,534,230
Advance from general fund	275,000				275,000	12,650,000
Due to highway fund			61,457		61,457	49,560
Due to providence river relocation memorial boulevard extension project fund			1,835,260		1,835,260	
Due to R.I. Port Authority and Economic Development Corporation						220,997
Accrued payroll and fringe benefits			4,680		4,680	
Total liabilities	721,857	18,004	10,552,304	5,342,711	16,634,876	29,256,470
Fund balances:						
Reserved for encumbrances	290,505	39,144	64,250,708	25,234,582	89,814,939	79,797,784
Unreserved:						
Designated for incomplete projects		22,852			22,852	74,554
Undesignated	(945,862)		(43,207,378)		(44,153,240)	(50,461,447)
Total fund balances	(655,357)	61,996	21,043,330	25,234,582	45,684,551	29,410,891
Total liabilities and fund balances	$ 66,500	$ 80,000	$ 31,595,634	$ 30,577,293	$ 62,319,427	$ 58,667,361

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit D-2

CAPITAL PROJECTS FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the Fiscal Years Ended June 30, 1990 and 1989

	R.I. Clean Water Act Environmental Trust Fund	Agricultural Land Preservation Fund	Bond Capital Fund	Certificates of Participation	Totals	
					1990	1989 *
Revenues:						
Federal grants	$	$	$ 7,638,905	$	$ 7,638,905	$ 3,231,288
Income from investments	45,324	6,475	2,835,528		2,887,327	4,504,769
Fines and penalties	293,500				293,500	166,300
Total revenues	338,824	6,475	10,474,433		10,819,732	7,902,357
Expenditures:						
Individual and family development	—		20,021,618		20,021,618	21,072,665
Economic development	5,638,659	27,573	30,675,361		36,341,593	28,721,836
Public safety			28,488		28,488	508,707
Transportation			8,700,061		8,700,061	5,682,715
Comprehensive support			921,881		921,881	3,504,773
Capital outlays				17,929,922	17,929,922	1,950,844
Total expenditures	5,638,659	27,573	60,347,409	17,929,922	83,943,563	61,441,540
Excess (deficiency) of revenues over expenditures	(5,299,835)	(21,098)	(49,872,976)	(17,929,922)	(73,123,831)	(53,539,183)
Other financing sources (uses):						
Bonds and notes issued	5,550,000		91,250,000		96,800,000	135,868,354
Premium and accrued interest	8,512		134,808		143,320	
Debt service		(207,100)	(1,306)		(208,406)	(206,900)
Redemption of bond anticipation notes			(20,000,000)		(20,000,000)	(59,588,694)
Lease participation certificates issued				43,938,930	43,938,930	1,950,844
Cost of issuance - certificates				(774,426)	(774,426)	
Transfers from general fund		200,625			200,625	202,770
Transfers to highway fund			(23,732,216)		(23,732,216)	(33,061,000)
Transfers to capital center project fund					—	(2,780)
Transfers to providence river relocation - memorial boulevard extension project fund			(4,000,000)		(4,000,000)	
Transfers to general fund			(2,898,525)		(2,898,525)	(4,192,103)
Transfer to R.I. Port Authority and Economic Development Corporation			(71,811)		(71,811)	(220,997)
Total other financing sources (uses)	5,558,512	(6,475)	40,680,950	43,164,504	89,397,491	40,749,494
Increase (decrease) in fund balances	258,677	(27,573)	(9,192,026)	25,234,582	16,273,660	(12,789,689)
Fund balances, July 1	(914,034)	89,569	30,235,356		29,410,891	42,200,580
Fund balances, June 30	$ (655,357)	$ 61,996	$ 21,043,330	$ 25,234,582	$ 45,684,551	$ 29,410,891

* Restated.

FINANCIAL SECTION

PROPRIETARY FUND TYPES

Exhibit/ Schedule

ENTERPRISE FUNDS:

Combining Balance Sheets E-1

Combining Statement of Revenues, Expenses, and Changes in Fund Equity E-2

Combining Statement of Cash Flows E-3

Exhibit E-1-1

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINING BALANCE SHEETS
ENTERPRISE FUNDS

June 30, 1990

	R.I. Housing and Mortgage Finance Corporation	R.I. Student Loan Authority	R.I. Turnpike and Bridge Authority	R.I. Port Authority and Economic Development Corporation	Convention Center Authority	Blackstone Valley District Commission	State Lottery
Assets							
Cash and cash equivalents	$ 18,433,251	$ 110,420,463	$ 1,013,374	$ 13,732,176	$ 205,881	$ 4,169,373	$ 4,400,900
Funds on deposit with fiscal agent						215,880	
Investments	665,467,718	10,775,000	14,917,163		8,741,504		14,963,814
Receivables (net of allowance for uncollectibles):							
Accounts				351,495	14,798	4,260,305	1,325,384
Accrued interest	21,047,858	2,327,388	760,838	123,724	221,956	5,702	5,918
Notes and loans	1,076,197,684	110,975,222		7,143,985			
Due from other funds							
Due from other governments and agencies		38,648				181,133	
Inventories				150,200		36,101	317,836
Prepaid expenses		44,843	94,063	38,937	35,360		110,780
Land				25,561,155	36,214,074	476,749	
Fixed assets		34,394	60,487,966	8,749,971	6,820	60,705,574	1,928,411
Construction in progress							
Accumulated depreciation, depletion, and amortization		(63,019)		(6,068,745)	(2,046)	(19,274,925)	(901,094)
Other assets	19,236,465	615,126			7,613,645	621,222	
Rentals due for payment of principal and interest on revenue bonds							
Total assets	$1,800,382,976	$ 235,168,065	$ 77,273,404	$ 49,782,898	$ 53,051,992	$ 51,397,114	$ 22,151,949
Liabilities and Fund Equity							
Liabilities:							
Cash overdraft	$	$	$	$	$	$	$
Vouchers and accounts payable		188,724	1,835,538	1,203,516	—	1,030,893	338,459
Due to other funds							4,318,927
Due to other governments						243,363	
Accrued liabilities	35,778,860	1,166,702	426,977	747,334	4,569,226	250,708	23,000
Deferred revenue	4,362,475		562,296				152,596
Notes payable					48,445,000		
Loans payable							
Obligations under capital leases							
Escrow deposits	68,221,604	—					
Other liabilities					37,766		16,415,867
Provision for maintenance			15,646,404				
Unexpended funds							
Bonds payable	1,491,722,085	222,929,831	46,040,000			16,755,000	
Total liabilities	1,600,085,024	224,285,257	64,511,215	1,950,850	53,051,992	18,279,964	21,248,849
Fund equity:							
Contributed capital						30,202,043	
Retained earnings (deficit)						2,915,107	903,100
Fund balance:							
Reserved	200,297,952		17,635,532	34,051,823			
Unreserved		10,882,808	(4,873,343)	13,780,225			
Total fund equity	200,297,952	10,882,808	12,762,189	47,832,048		33,117,150	903,100
Total liabilities and fund equity	$1,800,382,976	$ 235,168,065	$ 77,273,404	$ 49,782,898	$ 53,051,992	$ 51,397,114	$ 22,151,949

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit E-1-2

COMBINING BALANCE SHEETS
ENTERPRISE FUNDS

June 30, 1990

	R.I. Solid Waste Management Corporation	R.I. Public Buildings Authority	R.I. Higher Education Assistance Authority	R.I. Public Transit Authority	R.I. Industrial Facilities Corporation	Howard Development Corporation	Industrial-Recreational Building Mortgage Insurance
Assets							
Cash and cash equivalents	$ 160,266,651	$103,139,810	$ 1,745,564	$ 1,477,858	$ 671,463	$	$ 3,539,214
Funds on deposit with fiscal agent							
Investments	37,412,584	17,610,266	1,808,783				
Receivables (net of allowance for uncollectibles):							
Accounts	4,173,312		11,033	214,107	17,132		
Accrued interest	293,483	2,172,686	44,177	2,277	950		12,860
Notes and loans			2,512,881				558,175
Due from other funds		23,907,094					
Due from other governments and agencies			1,343,192	703,853	19,650		
Inventories				375,800			
Prepaid expenses		61,581	27,800	27,517			16,526
Land	23,104,573						
Fixed assets	19,845,146	86,289	3,510,228	42,530,778			9,070
Construction in progress	4,721,196						
Accumulated depreciation, depletion, and amortization	(19,078,187)	(644,359)	(1,514,889)	(18,684,174)			(4,660)
Other assets	18,000,265	4,240,943	794				
Rentals due for payment of principal and interest on revenue bonds		231,158,780					
Total assets	$ 248,739,023	$381,733,090	$ 9,489,563	$ 26,648,016	$ 709,195	$ 0	$ 4,131,185

Liabilities and Fund Equity

Liabilities:							
Cash overdraft	$	$	$	$	$	$	$
Vouchers and accounts payable	4,589,489	9,976	22,378	2,024,815	44,324		14,054
Due to other funds		23,907,094					
Due to other governments			380,991	2,156			
Accrued liabilities	3,181,621	7,964,066		6,508,759			143,564
Deferred revenue			20,624	217,332	8,429		3,675
Notes payable	25,000,000	45,558,076	1,258,712	750,000			
Loans payable							
Obligations under capital leases							
Escrow deposits							
Other liabilities	11,480,015	1,003	260,711				
Provision for maintenance							
Unexpended funds		94,415,733					
Bonds payable	164,423,585	204,674,934					
Total liabilities	208,674,710	376,530,882	1,943,416	9,503,062	52,753	0	161,293
Fund equity:							
Contributed capital				26,530,899			
Retained earnings (deficit)	40,064,313			(9,385,945)			3,969,892
Fund balance:							
Reserved		5,005,707	4,510,000				
Unreserved		196,501	3,036,147		656,442		
Total fund equity	40,064,313	5,202,208	7,546,147	17,144,954	656,442	0	3,969,892
Total liabilities and fund equity	$ 248,739,023	$381,733,090	$ 9,489,563	$ 26,648,016	$ 709,195	$ 0	$ 4,131,185

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit E-1-3

COMBINING BALANCE SHEETS
ENTERPRISE FUNDS

June 30, 1990

	Narragansett Bay Water Quality Management District Commission	R.I. Water Resources Board Corporate	R.I. Public Telecommunications Authority	R.I. Refunding Bond Authority	R.I. Partnership for Science and Technology	Water Development	Total
Assets							
Cash and cash equivalents	$ 2,770,529	$ 4,393,160	$ 641,848	$ 4,112	$ 1,960,081	$ 1,370,584	$ 434,356,292
Funds on deposit with fiscal agent							215,880
Investments		1,141,087					772,837,919
Receivables (net of allowance for uncollectibles):							
Accounts	5,149,614	122,319	32,819			4,890	15,677,208
Accrued interest	691	88,367			7,643	7,589	27,124,107
Notes and loans				15,250,256		200,000	1,212,838,203
Due from other funds		71,876					23,978,970
Due from other governments and agencies	238,296						2,524,772
Inventories							879,937
Prepaid expenses	76,770		4,880				539,057
Land	2,859,916						88,216,467
Fixed assets	14,047,017		3,222,977				215,164,641
Construction in progress	91,741,194						96,462,390
Accumulated depreciation, depletion, and amortization	(10,118,814)						(76,354,912)
Other assets	35,130	1,269,786	201,568	479,221			52,314,165
Rentals due for payment of principal and interest on revenue bonds		11,685,000					242,843,780
Total assets	$ 106,800,343	$ 18,771,595	$ 4,104,092	$ 15,733,589	$ 1,967,724	$ 1,583,063	$ 3,109,618,876

Liabilities and Fund Equity

	Narragansett Bay Water Quality Management District Commission	R.I. Water Resources Board Corporate	R.I. Public Telecommunications Authority	R.I. Refunding Bond Authority	R.I. Partnership for Science and Technology	Water Development	Total
Liabilities:							
Cash overdraft	$ 1,733,536	$	$	$	$	$	$ 1,733,536
Vouchers and accounts payable	3,907,411	506,651	11,401		365	82,945	15,810,939
Due to other funds	3,976,320	71,876				11,144	32,285,361
Due to other governments	118,495						745,005
Accrued liabilities	670,896	238,530	225,063	161,930			62,057,236
Deferred revenue			5,348			1,255	5,334,030
Notes payable	3,772,217						124,784,005
Loans payable	6,959,877						6,959,877
Obligations under capital leases	254,505						254,505
Escrow deposits							68,221,604
Other liabilities							28,195,362
Provision for maintenance							15,646,404
Unexpended funds		3,927,059					98,342,792
Bonds payable	7,170,000	11,685,000		15,570,000			2,180,970,435
Total liabilities	28,563,257	16,429,116	241,812	15,731,930	365	95,344	2,641,341,091
Fund equity:							
Contributed capital	82,695,730	1,748,214					141,176,886
Retained earnings (deficit)	(4,458,644)				1,967,359	1,487,719	37,462,901
Fund balance:							
Reserved		837,612	3,233,098	1,367			265,573,091
Unreserved		(243,347)	629,182	292			24,064,907
Total fund equity	78,237,086	2,342,479	3,862,280	1,659	1,967,359	1,487,719	468,277,785
Total liabilities and fund equity	$ 106,800,343	$ 18,771,595	$ 4,104,092	$ 15,733,589	$ 1,967,724	$ 1,583,063	$ 3,109,618,876

Exhibit E-2-1

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
ENTERPRISE FUNDS

For the Fiscal Year Ended June 30, 1990

	R.I. Housing and Mortgage Finance Corporation	R.I. Student Loan Authority	R.I.Turnpike and Bridge Authority	R.I. Port Authority and Economic Development Corporation	Convention Center Authority	Blackstone Valley District Commission	State Lottery
Operating revenues:							
Charges for services	$ 1,810,090	$ -	$ 9,137,880	$ 7,533,011	$	$ 8,837,169	$ 58,724,929
Interest income	149,568,869	21,462,468				68,525	
Other operating income	33,402	38,641					27,035
Total operating revenues	151,412,361	21,501,109	9,137,880	7,533,011	0	8,905,694	58,751,964
Operating expenses:							
Personal services	2,502,928	288,574	1,109,072	5,328,414		2,882,170	1,404,739
Supplies, materials, and services	3,500,974	3,573,848	959,358	3,261,104		3,185,983	1,340,849
Interest expense	124,237,772	14,190,225					
Grant, scholarships and contract programs							
Prize awards							29,297,036
Depreciation, depletion and amortization	4,431,223	42,650		750,426		1,051,586	112,714
Other operating expenses		13,737					
Total operating expenses	134,672,897	18,109,034	2,068,430	9,339,944	0	7,119,739	32,155,338
Operating income (loss)	16,739,464	3,392,075	7,069,450	(1,806,933)	0	1,785,955	26,596,626
Nonoperating revenues (expenses):							
Interest revenue			1,700,738	1,642,827		379,223	547,637
Grants				59,439			
Gain (loss) on sale of property				220,013			
Interest expense			(2,074,705)	(3,077)		(1,226,968)	
Other nonoperating revenue (expenses)			151,592	(72,173)		(72,460)	
Total nonoperating revenue (expenses)			(222,375)	1,847,029	0	(920,205)	547,637
Income (loss) before transfers	16,739,464	3,392,075	6,847,075	40,096		865,750	27,144,263
Operating transfers in (out)				(172,252)			(27,218,927)
Residual equity transfers in (out)				2,245,978			
Increase in contributed capital				5,220,997		1,088,994	
Additions to provision for maintenance			(5,030,000)				
Net increase (decrease) in fund equity	16,739,464	3,392,075	1,817,075	7,334,819	0	1,954,744	(74,664)
Fund equity, July 1	183,558,488	7,490,733	10,945,114	40,497,229		31,099,058	977,764
Prior period adjustment						63,348	
Fund equity, July 1, restated	183,558,488	7,490,733	10,945,114	40,497,229	0	31,162,406	977,764
Fund equity, June 30	$ 200,297,952	$ 10,882,808	$ 12,762,189	$ 47,832,048	$ 0	$ 33,117,150	$ 903,100

Exhibit E-2-2

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY ENTERPRISE FUNDS

For the Fiscal Year Ended June 30, 1990

	R.I. Solid Waste Management Corporation	R.I. Public Buildings Authority	R.I. Higher Education Assistance Authority	R.I. Public Transit Authority	R.I. Industrial Facilities Corporation	Howard Development Corporation	Industrial-Recreational Building Mortgage Insurance
Operating revenues:							
Charges for services	$ 19,682,351	$ 9,961,824	$ 2,045,613	$ 6,927,834	$ 375,451	$	$ 98,948
Interest income		7,796,632					
Other operating income		1,425	653,136	163,573		133,165	
Total operating revenues	19,682,351	17,759,881	2,698,749	7,091,407	375,451	133,165	98,948
Operating expenses:							
Personal services	2,854,480	520,545	1,403,937	16,469,856			91,825
Supplies, materials, and services	16,798,475		1,155,068	8,288,025	143,462	28,549	269,986
Interest expense		15,600,970					
Grant, scholarships and contract programs	4,230,538		11,212,775				
Prize awards							
Depreciation, depletion and amortization	4,512,687	219,354	156,460	3,511,156			1,026
Other operating expenses	5,144,342		60,131			9,980	
Total operating expenses	33,540,522	16,340,869	13,988,371	28,269,037	143,462	38,529	362,837
Operating income (loss)	(13,858,171)	1,419,012	(11,289,622)	(21,177,630)	231,989	94,636	(263,889)
Nonoperating revenues (expenses):							
Interest revenue	13,289,181		248,808	125,887	38,412	335,203	338,002
Grants				314,153	16,326		
Gain (loss) on sale of property				(6,628)			
Interest expense	(11,272,339)		(131,632)	(5,233)			
Other nonoperating revenue (expenses)	(1,209,506)	— (188,569)	147,180				
Total nonoperating revenue (expenses)	807,336	(188,569)	264,356	428,179	54,738	335,203	338,002
Income (loss) before transfers	(13,050,835)	1,230,443	(11,025,266)	(20,749,451)	286,727	429,839	74,113
Operating transfers in (out)			11,592,654	16,565,023	(550,000)		
Residual equity transfers in (out)						(6,143,165)	
Increase in contributed capital				1,369,442			
Additions to provision for maintenance							
Net increase (decrease) in fund equity	(13,050,835)	1,230,443	567,388	(2,814,986)	(263,273)	(5,713,326)	74,113
Fund equity, July 1	53,115,148	3,297,332	9,763,915	19,959,940	919,715	5,713,326	3,895,779
Prior period adjustment		674,433	(2,785,156)				
Fund equity, July 1, restated	53,115,148	3,971,765	6,978,759	19,959,940	919,715	5,713,326	3,895,779
Fund equity, June 30	$ 40,064,313	$ 5,202,208	$ 7,546,147	$ 17,144,954	$ 656,442	$ 0	$ 3,969,892

Exhibit E-2-3

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
ENTERPRISE FUNDS

For the Fiscal Year Ended June 30, 1990

	Narragansett Bay Water Quality Management District Commission	R.I. Water Resources Board Corporate	R.I. Public Telecommunications Authority	R.I. Refunding Bond Authority	R.I. Partnership for Science and Technology	Water Development	Total
Operating revenues:							
Charges for services	$ 12,670,199	$ 721,174	$ 807,662	$	$	$ 104,459	$ 139,438,594
Interest income				1,032,249			179,928,743
Other operating income			123,697	52,010		24	1,226,108
Total operating revenues	12,670,199	721,174	931,359	1,084,259		104,483	320,593,445
Operating expenses:							
Personal services	5,219,242	17,193	1,351,653				41,444,628
Supplies, materials, and services	6,623,741		1,463,363		51,282	153,282	50,797,349
Interest expense				1,031,970			155,060,937
Grant, scholarships and contract programs					343,952		15,787,265
Prize awards							29,297,036
Depreciation, depletion and amortization	251,040	15,746					15,056,068
Other operating expenses				52,010			5,280,200
Total operating expenses	12,094,023	32,939	2,815,016	1,083,980	395,234	153,282	312,723,483
Operating income (loss)	576,176	688,235	(1,883,657)	279	(395,234)	(48,799)	7,869,962
Nonoperating revenues (expenses):							
Interest revenue	227,159	616,367	40,448		183,600	120,786	19,834,278
Grants			624,620				1,014,538
Gain (loss) on sale of property							213,385
Interest expense	(1,543,096)	(815,272)					(17,072,322)
Other nonoperating revenue (expenses)	241,919	(68,214)	17,800			6,667	(1,045,764)
Total nonoperating revenue (expenses)	(1,074.018)	(267,119)	682,868		183,600	127,453	2,944,115
Income (loss) before transfers	(497,842)	421,116	(1,200,789)	279	(211,634)	78,654	10,814,077
Operating transfers in (out)			1,803,552			(120,786)	1,899,264
Residual equity transfers in (out)							(3,897,187)
Increase in contributed capital	7,673,808	160,855					15,514,096
Additions to provision for maintenance							(5,030,000)
Net increase (decrease) in fund equity	7,175,966	581,971	602,763	279	(211,634)	(42,132)	19,300,250
Fund equity, July 1	71,003,728	1,760,508	3,259,517	1,380	2,178,993	1,529,851	450,967,518
Prior period adjustment	57,392						(1,989,983)
Fund equity, July 1, restated	71,061,120	1,760,508	3,259,517	1,380	2,178,993	1,529,851	448,977,535
Fund equity, June 30	$ 78,237,086	$ 2,342,479	$ 3,862,280	$ 1,659	$ 1,967,359	$ 1,487,719	$ 468,277,785

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit E-3-1

COMBINING STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS

For the Fiscal Year Ended June 30, 1990

	R.I. Housing and Mortgage Finance Corporation	R.I. Student Loan Authority	R.I. Turnpike and Bridge Authority	R.I. Port Authority and Economic Development Corporation	Convention Center Authority	Blackstone Valley District Commission	State Lottery
Cash flows from operating activities:							
Cash received from customers	$ 177,073,251	$ 28,366,199	$ 9,140,678	$ 7,612,671	$	$ 7,746,236	$ 68,240,329
Cash receipts from grants				49,998			
Cash payments to suppliers for goods and services	(11,450,697)	(1,137,848)	(1,334,949)	(5,790,251)		(3,441,410)	(1,847,770)
Cash payments to employees for services	(2,502,928)	(803,528)	(855,836)	(2,164,403)		(2,852,379)	(1,457,821)
Loans issued	(218,188,622)			(470,000)			
Cash payments for grants, scholarships and contract programs		(5,654,817)		(62,734)			
Other operating revenue	9,767,381	163,641		757,704			27,035
Other operating expenses	(1,882,666)	(64,118)					(39,776,375)
Net cash provided by (used for) operating activities	(47,184,281)	20,869,529	6,949,893	(67,015)		1,452,447	25,185,398
Cash flows from noncapital financing activities:							
Proceeds from sale of revenue bonds and notes	294,988,398						
Proceeds from notes payable							
Payment of bonds and notes	(334,001,907)						
Interest paid on bonds and notes	(120,230,413)	([illegible],208,401)					
Loans issued							
Collection of loans and mortgages							
Operating grants				(9,439)			
Operating transfers-out to other funds				(722,252)			(26,625,066)
Cash overdraft				(151,337)			
Other receipts			17,554	550,000		1,000,000	
Other disbursements		(82,000)				(1,011,510)	
Net cash provided by (used for) noncapital financing activities	(159,243,922)	(14,290,401)	17,554	(333,028)		(11,510)	(26,625,066)
Cash flows from capital and related financing activities:							
Principal paid on revenue bonds			(1,010,962)		(34,745,958)	(855,000)	
Proceeds from sale of bonds and notes				5,220,997	48,761,000		
Interest paid on revenue bonds			(2,097,131)			(496,405)	
Payment of notes and loans			(5,300,000)				
Acquisition of capital assets		(22,270)		(1,358,435)	(6,769,720)	(5,268,381)	(47,902)
Contributed capital						1,160,380	
Proceeds from sale of equipment				396,627			
Other			(3,545,141)	(6,342)	1,116,853	(215,880)	
Net cash provided by (used for) capital and related financing activities		(22,270)	(11,953,234)	4,252,847	8,362,175	(5,675,286)	(47,902)
Cash flows from investing activities:							
Purchase of investment securities	(3,683,183,529)	(100,107,518)	(39,091,482)		(11,696,803)		(1,607,352)
Proceeds from sale and maturities of investment securities	3,826,062,662	177,350,236	41,543,721		2,955,299		2,690,345
Interest on investments	66,577,344	9,125,632	1,773,841	1,152,832	318,902	383,690	562,794
Net cash provided by (used for) investing activities	209,456,477	86,368,350	4,226,080	1,152,832	(8,422,602)	383,690	1,645,787
Net increase (decrease) in cash and cash equivalents	3,028,274	92,925,208	(759,707)	5,005,636	(60,427)	(3,850,659)	158,217
Cash and cash equivalents, July 1, 1989	15,404,977	17,495,255	1,773,081	8,726,540	266,308	8,020,032	4,242,683
Cash and cash equivalents, June 30, 1990	$ 18,433,251	$ 110,420,463	$ 1,013,374	$ 13,732,176	$ 205,881	$ 4,169,373	$ 4,400,900

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit E-3-1

COMBINING STATEMENT OF CASH FLOWS (Continued)
ENTERPRISE FUNDS

For the Fiscal Year Ended June 30, 1990

	R.I. Housing and Mortgage Finance Corporation	R.I. Student Loan Authority	R.I. Turnpike and Bridge Authority	R.I. Port Authority and Economic Development Corporation	Convention Center Authority	Blackstone Valley District Commission	State Lottery
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:							
Operating income (loss)	16,739,464	3,392,075	7,069,450	(1,806,933)		1,785,955	26,596,626
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:							
Depreciation and amortization	4,431,223	42,650		750,426		1,051,586	112,714
Interest on investments and other income	(61,189,531)	(9,418,263)		330,124			
Interest expense	124,237,772	14,190,225		(3,077)			
Landfill post closure costs							
Change in assets and liabilities:							
(Increase) decrease in accounts and loans receivable	(134,257,408)	12,732,532		531,922		(1,159,457)	(201,624)
(Increase) decrease in inventory				785		(6,373)	(194,416)
(Increase) decrease in deferred bond issuance	(3,331,348)						
(Increase) decrease in other assets	(1,404,746)						
Increase (decrease) in vouchers and accounts payable and other liabilities		(24,847)	(37,679)	30,794		(268,602)	(1,081,651)
Increase (decrease) in accrued expenses			(4,676)	118,141		29,791	9,700
Increase (decrease) in escrow deposits	8,409,677						
Increase (decrease) in deferred revenue	(819,384)		(5,877)				(74,698)
(Increase) decrease in prepaid expenses		(44,843)	(71,325)	(19,197)		19,547	18,747
Prior period adjustments							
Total adjustments	(63,923,745)	17,477,454	(119,557)	1,739,918		(333,508)	(1,411,228)
Net cash provided by (used for) operating activities	(47,184,281)	20,869,529	6,949,893	(67,015)		1,452,447	25,185,398

Exhibit E-3-2

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINING STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS

For the Fiscal Year Ended June 30, 1990

	R.I. Solid Waste Management Corporation	R.I. Public Buildings Authority	R.I. Higher Education Assistance Authority	R.I. Public Transit Authority	R.I. Industrial Facilities Corporation	Howard Development Corporation	Industrial-Recreational Building Mortgage Insurance
Cash flows from operating activities:							
Cash received from customers	$ 20,584,148	$ 13,833,965	$ 2,148,714	$ 6,995,518	$ 363,524	$	$ 117,826
Cash receipts from grants			448,875				
Cash payments to suppliers for goods and services	(13,622,975)	(329,790)	(2,499,565)	(9,419,342)	(104,615)	(63,620)	(135,005)
Cash payments to employees for services	(3,440,959)	(185,109)		(15,614,907)			(91,214)
Loans issued			(317,822)				
Cash payments for grants, scholarships and contract programs	(4,146,619)		(11,211,867)				
Other operating revenue	105,455	1,424				158,165	345,629
Other operating expenses							
Net cash provided by (used for) operating activities	(520,950)	13,320,490	(11,431,665)	(18,038,731)	258,909	94,545	237,236
Cash flows from noncapital financing activities:							
Proceeds from sale of revenue bonds and notes							
Proceeds from notes payable			319,313	200,000			
Payment of bonds and notes			(269,984)				
Interest paid on bonds and notes			(155,318)	(4,360)			
Loans issued							
Collection of loans and mortgages							
Operating grants			11,592,654	17,065,023			
Operating transfers-out to other funds					(550,000)	(3,932,339)	
Cash overdraft	(74,946)						
Other receipts							
Other disbursements						(800,000)	
Net cash provided by (used for) noncapital financing activities	(74,946)		11,486,665	17,260,663	(550,000)	(4,732,339)	
Cash flows from capital and related financing activities:							
Principal paid on revenue bonds	(16,956,556)	(10,290,000)					
Proceeds from sale of bonds and notes	25,000,000	76,956,654					
Interest paid on revenue bonds	(10,673,852)	(13,498,238)					
Payment of notes and loans							
Acquisition of capital assets	(20,395,281)	(34,333,671)	(8,879)	—(811,703)			(1,412)
Contributed capital				1,118,502			
Proceeds from sale of equipment	1,020,630			2,156			
Other	(2,982,213)	(260,104)	147,180				
Net cash provided by (used for) capital and related financing activities	(24,987,272)	18,574,641	138,301	308,955			(1,412)
Cash flows from investing activities:							
Purchase of investment securities	(43,897,989)	(526,699)	(500,625)				
Proceeds from sale and maturities of investment securities	178,767,179	310,683	513,100				
Interest on investments	14,242,273	5,919,443	240,559	134,238	40,232	345,252	
Net cash provided by (used for) investing activities	149,111,463	5,703,427	253,034	134,238	40,232	345,252	
Net increase (decrease) in cash and cash equivalents	123,528,295	37,598,558	446,335	(334,875)	(250,859)	(4,292,542)	235,824
Cash and cash equivalents, July 1, 1989	36,738,356	65,541,252	1,299,229	1,812,733	922,322	4,292,542	3,303,390
Cash and cash equivalents, June 30, 1990	$ 160,266,651	$103,139,810	$ 1,745,564	$ 1,477,858	$ 671,463	$	$ 3,539,214

Exhibit E-3-2

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINING STATEMENT OF CASH FLOWS (Continued)
ENTERPRISE FUNDS

For the Fiscal Year Ended June 30, 1990

	R.I. Solid Waste Management Corporation	R.I. Public Buildings Authority	R.I. Higher Education Assistance Authority	R.I. Public Transit Authority	R.I. Industrial Facilities Corporation	Howard Development Corporation	Industrial-Recreational Building Mortgage Insurance
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:							
Operating income (loss)	(13,858,171)	1,419,012	(11,289,622)	(21,177,630)	231,989	94,636	(263,889)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:							
Depreciation and amortization	5,500,083	219,354	157,527	3,511,156			1,026
Interest on investments and other income	(501,673)	(7,796,632)					338,002
Interest expense		15,600,970					
Landfill post closure costs	5,144,342						
Change in assets and liabilities:							
(Increase) decrease in accounts and loans receivable	1,004,339		(49,429)	(93,637)	(9,630)		23,794
(Increase) decrease in inventory				31,295		(10,320)	
(Increase) decrease in deferred bond issuance							
(Increase) decrease in other assets	(33,935)	3,872,141					
Increase (decrease) in vouchers and accounts payable and other liabilities	1,049,268	5,645	32,085	(308,341)	38,100	(14,890)	11,508
Increase (decrease) in accrued expenses	1,174,797		(283,505)				140,611
Increase (decrease) in escrow deposits							
Increase (decrease) in deferred revenue			885		(1,550)	25,000	2,710
(Increase) decrease in prepaid expenses			394	(1,574)		119	(16,526)
Prior period adjustments							
Total adjustments	13,337,221	11,901,478	(142,043)	3,138,899	26,920	(91)	501,125
Net cash provided by (used for) operating activities	(520,950)	13,320,490	(11,431,665)	(18,038,731)	258,909	94,545	237,236

Exhibit E-3-3

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINING STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS

For the Fiscal Year Ended June 30, 1990

	Narragansett Bay Water Quality Management District Commission	R.I. Water Resources Board Corporate	R.I. Public Telecommunications Authority	R.I. Refunding Bond Authority	R.I. Partnership for Science and Technology	Water Development	Total
Cash flows from operating activities:							
Cash received from customers	$ 12,635,855	$ 598,855	$ 630,155	$	$	$ 147,858	$ 356,235,782
Cash receipts from grants							498,873
Cash payments to suppliers for goods and services	(7,025,796)	(17,808)	(2,280,937)		(100,235)	(119,805)	(60,722,418)
Cash payments to employees for services	(5,211,700)		-				(35,180,784)
Loans issued							(218,976,444)
Cash payments for grants, scholarships and contract programs					(343,952)		(21,419,989)
Other operating revenue	61,150			3,813	187,776	24	11,579,197
Other operating expenses				(3,813)			(41,726,972)
Net cash provided by (used for) operating activities	459,509	581,047	(1,650,782)		(256,411)	28,077	(9,712,755)
Cash flows from noncapital financing activities:							
Proceeds from sale of revenue bonds and notes							294,988,398
Proceeds from notes payable							519,313
Payment of bonds and notes				(1,550,000)			(335,821,891)
Interest paid on bonds and notes	(301,320)			(1,045,275)			(135,945,087)
Loans issued						(200,000)	(200,000)
Collection of loans and mortgages				2,594,279			2,594,279
Operating grants	10,286,824	160,855	2,243,953				41,339,870
Operating transfers-out to other funds						(124,713)	(31,954,370)
Cash overdraft	1,733,536						1,507,253
Other receipts	770,997						2,338,551
Other disbursements							(1,893,510)
Net cash provided by (used for) noncapital financing activities	12,490,037	160,855	2,243,953	(996)		(324,713)	(162,527,194)
Cash flows from capital and related financing activities:							
Principal paid on revenue bonds	(1,305,893)						(65,164,369)
Proceeds from sale of bonds and notes	2,989,545	11,685,000					170,613,196
Interest paid on revenue bonds	(859,980)	(825,972)					(28,451,578)
Payment of notes and loans		(4,700,000)					(10,000,000)
Acquisition of capital assets	(17,749,932)	(3,584,026)	(378,764)				(90,730,376)
Contributed capital			312,805				2,591,687
Proceeds from sale of equipment							1,419,413
Other		(383,146)	(265,103)				(6,393,896)
Net cash provided by (used for) capital and related financing activities	(16,926,260)	2,191,856	(331,062)				(26,115,923)
Cash flows from investing activities:							
Purchase of investment securities		(1,581,087)					(3,882,193,084)
Proceeds from sale and maturities of investment securities		480,000				-	4,230,673,225
Interest on investments	228,843	528,000	40,448	279		134,936	101,749,538
Net cash provided by (used for) investing activities	228,843	(573,087)	40,448	279		134,936	450,229,679
Net increase (decrease) in cash and cash equivalents	(3,747,871)	2,360,671	302,557	(717)	(256,411)	(161,700)	251,873,807
Cash and cash equivalents, July 1, 1989	6,518,400	2,032,489	339,291	4,829	2,216,492	1,532,284	182,482,485
Cash and cash equivalents, June 30, 1990	$ 2,770,529	$ 4,393,160	$ 641,848	$ 4,112	$ 1,960,081	$1,370,584	$ 434,356,292

Exhibit E-3-3

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINING STATEMENT OF CASH FLOWS (Continued)
ENTERPRISE FUNDS

For the Fiscal Year Ended June 30, 1990

	Narragansett Bay Water Quality Management District Commission	R.I. Water Resources Board Corporate	R.I. Public Telecommunications Authority	R.I. Refunding Bond Authority	R.I. Partnership for Science and Technology	Water Development	Total
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:							
Operating income (loss)	576,176	688,235	(1,883,657)	279	(395,234)	(48,799)	7,869,962
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:							
Depreciation and amortization	251,040	15,746	286,486	48,210			16,379,227
Interest on investments and other income				(48,489)	183,600		(78,102,862)
Interest expense							154,025,890
Landfill post closure costs							5,144,342
Change in assets and liabilities:							
(Increase) decrease in accounts and loans receivable	68,753	(122,319)	(28,486)	13	4,176	42,143	(121,514,318)
(Increase) decrease in inventory							(179,029)
(Increase) decrease in deferred bond issuance							(3,331,348)
(Increase) decrease in other assets							2,433,460
Increase (decrease) in vouchers and accounts payable and other liabilities	(502,509)	(615)	(32,799)		(48,953)	33,478	(1,120,008)
Increase (decrease) in accrued expenses	7,542		19,988	(13)			1,212,376
Increase (decrease) in escrow deposits							8,409,677
Increase (decrease) in deferred revenue			(8,482)			1,255	(880,141)
(Increase) decrease in prepaid expenses	1,115		(3,832)				(117,375)
Prior period adjustments	57,392						57,392
Total adjustments	(116,667)	(107,188)	232,875	(279)	138,823	76,876	(17,582,717)
Net cash provided by (used for) operating activities	459,509	581,047	(1,650,782)		(256,411)	28,077	(9,712,755)

PROPRIETARY FUND TYPES

Exhibit/
Schedule

INTERNAL SERVICE FUNDS:

Combining Balance Sheets F-1

Combining Statement of Revenues, Expenses, and Changes in Fund Equity F-2

Combining Statement of Cash Flows F-3

Exhibit F-1-1

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINING BALANCE SHEETS
INTERNAL SERVICE FUNDS

June 30, 1990

Assets	State Planning Services	Workers' Compensation	Rhode Island Industrial Homework	Central Utilities	Central Services	General Services	Correctional Industries
Cash and cash equivalents	$ 400,581	$ 1,595,254	$ 2,626	$ 2,064,569	$ 1,471,795	$ 383,482	$ 599,942
Accounts receivable	44,837			900,667		39,094	25,037
Inventories					43,938	738,591	273,795
Fixed assets					3,220,114	4,312,929	23,070
Accumulated depreciation					(2,508,456)	(313,985)	(4,614)
Total assets	$ 445,418	$ 1,595,254	$ 2,626	$ 2,965,236	$ 2,227,391	$ 5,160,111	$ 917,230
Liabilities and Fund Equity							
Liabilities:							
Advance from general fund	$ 350,000	$ 1,000,000	$ 2,500	$ 100,000	$ 1,000,000	$ 750,000	$ 500,000
Accounts and vouchers payable	69,316	511,766		2,841,255	203,790	592,785	94,116
Obligations under capital leases					711,658	3,819,744	18,456
Accrued expenses	74,037	39,925		10,846	197,774	20,480	16,734
Total liabilities	493,353	1,551,691	2,500	2,952,101	2,113,222	5,183,009	629,306
Fund equity:							
Retained earnings (deficit):							
Reserved						42,793	183,238
Unreserved	(47,935)	43,563	126	13,135	114,169	(65,691)	104,686
Total fund equity	(47,935)	43,563	126	13,135	114,169	(22,898)	287,924
Total liabilities and fund equity	$ 445,418	$ 1,595,254	$ 2,626	$ 2,965,236	$ 2,227,391	$ 5,160,111	$ 917,230

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit F-1-2

COMBINING BALANCE SHEETS
INTERNAL SERVICE FUNDS

June 30, 1990

	Special Facilities				Automotive	Equipment	
Assets	Central Pharmacy	Food Processing	Central Laundry	Forand Building Cafeteria	Maintenance	Equipment	Total
Cash and cash equivalents	$ 476,826	$ 427,482	$ 95,966	$ 2,978	$ 1,140,058	$ 11,440	$ 8,672,999
Accounts receivable					1,475		1,011,110
Inventories	406,116	483,856	351,311	2,622	136,935		2,437,164
Fixed assets		28,575			1,076,095		8,660,783
Accumulated depreciation					(724,201)		(3,551,256)
Total assets	$ 882,942	$ 939,913	$ 447,277	$ 5,600	$ 1,630,362	$ 11,440	$ 17,230,800
Liabilities and Fund Equity							
Liabilities:							
Advance from general fund	$ 350,000	$ 475,000	$ 325,000	$ 5,000	$ 300,000	$	$ 5,157,500
Accounts and vouchers payable	403,510	342,495	94,010	2,196	768,874	11,440	5,935,553
Obligations under capital leases		28,575			351,894		4,930,327
Accrued expenses	9,246	53,482	26,077		13,627		462,228
Total liabilities	762,756	899,552	445,087	7,196	1,434,395	11,440	16,485,608
Fund equity:							
Retained earnings (deficit):							
Reserved							226,031
Unreserved	120,186	40,361	2,190	(1,596)	195,967		519,161
Total fund equity	120,186	40,361	2,190	(1,596)	195,967		745,192
Total liabilities and fund equity	$ 882,942	$ 939,913	$ 447,277	$ 5,600	$ 1,630,362	$ 11,440	$ 17,230,800

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit F-2-1

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY
INTERNAL SERVICE FUNDS

For the Fiscal Year Ended June 30, 1990

	State Planning Services	Workers' Compensation	Rhode Island Industrial Homework	Central Utilities	Central Services	General Services	Correctional Industries
Operating revenues:							
Charges for services	$ 2,365,129	$ 24,048,904	$	$ 12,871,729	$ 10,424,182	$ 8,195,238	$ 1,334,881
Total operating revenue	2,365,129	24,048,904		12,871,729	10,424,182	8,195,238	1,334,881
Operating expenses:							
Personal services	2,036,362	1,007,001		297,877	5,168,009	591,985	376,407
Supplies, materials, and services	392,397	23,006,749		12,560,717	4,233,467	7,399,392	747,914
Depreciation					822,201	157,918	4,614
Total operating expenses	2,428,759	24,013,750		12,858,594	10,223,677	8,149,295	1,128,935
Operating income (loss)	(63,630)	35,154		13,135	200,505	45,943	205,946
Nonoperating revenues (expenses):							
Interest revenue							
Interest expense					(86,336)	(258,427)	(1,452)
Income (loss) before transfers	(63,630)	35,154		13,135	114,169	(212,484)	204,494
Operating transfers in (out)				4,035	70,804	(49,374)	(17,608)
Residual equity transfers out							
Net increase (decrease) in fund equity	(63,630)	35,154		17,170	184,973	(261,858)	186,886
Fund equity (deficit), July 1	15,695	8,409	126	(4,035)	(70,804)	238,960	101,038
Fund equity (deficit), June 30	$ (47,935)	$ 43,563	$ 126	$ 13,135	$ 114,169	$ (22,898)	$ 287,924

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit F-2-2

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY
INTERNAL SERVICE FUNDS

For the Fiscal Year Ended June 30, 1990

	Special Facilities				Automotive Equipment		
	Central Pharmacy	Food Processing	Central Laundry	Forand Building Cafeteria	Maintenance	Equipment	Total
Operating revenues:							
Charges for services	$ 3,102,567	$ 4,200,939	$ 1,321,534	$ 46,679	$ 9,119,239	$ 32,916	$ 77,063,937
Total operating revenue	3,102,567	4,200,939	1,321,534	46,679	9,119,239	32,916	77,063,937
Operating expenses:							
Personal services	244,177	847,223	783,474		465,082	—	11,817,597
Supplies, materials, and services	2,816,863	3,312,146	552,120	48,525	8,102,498	154,214	63,327,002
Depreciation					339,557		1,324,290
Total operating expenses	3,061,040	4,159,369	1,335,594	48,525	8,907,137	154,214	76,468,889
Operating income (loss)	41,527	41,570	(14,060)	(1,846)	212,102	(121,298)	595,048
Nonoperating revenues (expenses):							
Interest revenue						19,690	19,690
Interest expense		(1,209)			(31,135)		(378,559)
Income (loss) before transfers	41,527	40,361	(14,060)	(1,846)	180,967	(101,608)	236,179
Operating transfers in (out)	(32,047)	14,033	(2,901)	(9,499)	(56,793)		(79,350)
Residual equity transfers out						(822,489)	(822,489)
Net increase (decrease) in fund equity	9,480	54,394	(16,961)	(11,345)	124,174	(924,097)	(665,660)
Fund equity (deficit), July 1	110,706	(14,033)	19,151	9,749	71,793	924,097	1,410,852
Fund equity (deficit), June 30	$ 120,186	$ 40,361	$ 2,190	$ (1,596)	$ 195,967	$ 0	$ 745,192

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit F-3-1

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS

For the Fiscal Year Ended June 30, 1990

	State Planning Services	Workers' Compensation	Rhode Island Industrial Homework	Central Utilities	Central Services	General Services	Correctional Industries
Cash flows from operating activities:							
Cash received from customers	$ 2,331,469	$ 24,375,265	$	$ 13,550,066	$ 10,513,006	$ 8,167,300	$ 1,451,016
Cash receipts from grants						155,023	
Cash payments to suppliers for goods and services	(358,896)	(22,776,896)		(12,275,769)	(4,871,966)	(7,372,295)	(787,513)
Cash payments to employees for services	(2,034,625)	(1,021,986)		(296,289)	(5,141,507)	(590,286)	(372,964)
Other operating revenue	2,975	43,671		2,426	687,431	16,019	19,856
Net cash provided by (used for) operating activities	(59,077)	620,054		980,434	1,186,964	375,761	310,395
Cash flows from noncapital financing activities:							
Advance from general fund					250,000	200,000	
Repayment of advance from general fund					(500,000)	(100,000)	
Operating transfers in				4,035	70,804		
Operating transfers out						(49,374)	(17,608)
Net cash provided by (used for) noncapital financing activities				4,035	(179,196)	50,626	(17,608)
Cash flows from capital and related financing activities:							
Principal paid on lease obligations					(822,201)	(247,518)	(4,614)
Interest paid on lease obligations					(86,336)	(258,427)	(1,452)
Net cash provided by (used for) capital and related financing activities					(908,537)	(505,945)	(6,066)
Cash flows from investing activities:							
Interest on investments							
Net cash provided by investing activities							
Net increase (decrease) in cash and cash equivalents	(59,077)	620,054		984,469	99,231	(79,558)	286,721
Cash and cash equivalents, July 1, 1989	459,658	975,200	2,626	1,080,100	1,372,564	463,040	313,221
Cash and cash equivalents, June 30, 1990	$ 400,581	$ 1,595,254	$ 2,626	$ 2,064,569	$ 1,471,795	$ 383,482	$ 599,942
Reconciliation of operating income (loss) to net cash provided by operating activities:							
Operating income (loss)	$ (63,630)	35,154		13,135	200,505	45,943	205,946
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:							
Depreciation					822,201	157,918	4,614
Change in assets and liabilities:							
(Increase) decrease in accounts receivable	(33,610)	362,696		678,389	90,632	127,167	116,324
(Increase) decrease in inventory					10,076	(302,466)	(26,665)
Increase (decrease) in vouchers and accounts payable	36,426	216,151		287,321	37,048	345,500	6,733
Increase (decrease) in accrued expenses	1,737	6,053		1,589	26,502	1,699	3,443
Total adjustments	4,553	584,900		967,299	986,459	329,818	104,449
Net cash provided by (used for) operating activities	$ (59,077)	$ 620,054	$	$ 980,434	$ 1,186,964	$ 375,761	$ 310,395

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit F-3-2

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS

For the Fiscal Year Ended June 30, 1990

	Special Facilities				Automotive Equipment		
	Central Pharmacy	Food Processing	Central Laundry	Forand Building Cafeteria	Maintenance	Equipment	Total
Cash flows from operating activities:							
Cash received from customers	$ 3,102,567	$ 4,202,669	$ 1,321,534	$ 46,678	$ 9,124,205	$ 32,916	$ 78,218,691
Cash receipts from grants							155,023
Cash payments to suppliers for goods and services	(2,896,800)	(3,363,267)	(558,643)	(46,264)	(7,891,657)	(469,432)	(63,669,398)
Cash payments to employees for services	(242,362)	(821,413)	(781,875)		(462,024)		(11,765,331)
Other operating revenue	14,851	27			43,378	235,593	1,066,227
Net cash provided by (used for) operating activities	(21,744)	18,016	(18,984)	414	813,902	(200,923)	4,005,212
Cash flows from noncapital financing activities:							
Advance from general fund							450,000
Repayment of advance from general fund							(600,000)
Operating transfers in		14,033				200,000	288,872
Operating transfers out	(32,046)		(2,902)	(9,499)	(56,792)	(117,465)	(285,686)
Net cash provided by (used for) noncapital financing activities	(32,046)	14,033	(2,902)	(9,499)	(56,792)	82,535	(146,814)
Cash flows from capital and related financing activities:							
Principal paid on lease obligations					(339,557)		(1,413,890)
Interest paid on lease obligations		(1,209)			(31,135)		(378,559)
Net cash provided by (used for) capital and related financing activities		(1,209)			(370,692)		(1,792,449)
Cash flows from investing activities:							
Interest on investments						19,690	19,690
Net cash provided by investing activities						19,690	19,690
Net increase (decrease) in cash and cash equivalents	(53,790)	30,840	(21,886)	(9,085)	386,418	(98,698)	2,085,639
Cash and cash equivalents, July 1, 1989	530,616	396,642	117,852	12,063	753,640	110,138	6,587,360
Cash and cash equivalents, June 30, 1990	$ 476,826	$ 427,482	$ 95,966	$ 2,978	$ 1,140,058	$ 11,440	$ 8,672,999
Reconciliation of operating income (loss) to net cash provided by operating activities:							
Operating income (loss)	41,527	41,570	(14,060)	(1,846)	212,102	(121,298)	595,048
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:							
Depreciation					339,557		1,324,290
Change in assets and liabilities:							
(Increase) decrease in accounts receivable		1,757			4,967		1,348,322
(Increase) decrease in inventory	(137,545)	(172,285)	(80,520)	1,752	23,258		(684,395)
Increase (decrease) in vouchers and accounts payable	72,460	121,164	73,997	508	236,782	(79,625)	1,354,465
Increase (decrease) in accrued expenses	1,814	25,810	1,599		(2,764)		67,482
Total adjustments	(63,271)	(23,554)	(4,924)	2,260	601,800	(79,625)	3,410,164
Net cash provided by (used for) operating activities	$ (21,744)	$ 18,016	$ (18,984)	$ 414	$ 813,902	$ (200,923)	$ 4,005,212

FINANCIAL SECTION

Exhibit/
Schedule

TRUST AND AGENCY FUNDS:

Combining Balance Sheets - All Trust and Agency Funds G-1

Combining Statement of Revenues, Expenses, and Changes in Fund Balances - Pension Trust Funds G-2

Combining Statement of Revenues, Expenses, and Changes in Fund Balances - Nonexpendable Trust Funds G-3

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit) - Expendable Trust Funds G-4

Combining Statement of Cash Flows - Pension Trust Funds . . . G-5

Combining Statement of Cash Flows - Nonexpendable Trust Funds G-6

Statement of Changes in Assets and Liabilities - Payroll and Pension Clearing Fund G-7

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit G-1-1

COMBINING BALANCE SHEETS
ALL TRUST AND AGENCY FUNDS

June 30, 1990

	Expendable Trust Funds					Agency Fund
	Unclaimed Property	Violent Crimes Indemnity	R.I. Veterans' Home	Real Estate Recovery	Custodial	Payroll and Pension Clearing
Assets						
Cash and cash equivalents	$ 104,939	$ 168,668	$ 988,386	$ 430,000	$ 2,230,290	$ 11,300,000
Investments						
Accounts receivable		8,232	49,950			
Accrued interest and dividends receivable						
Contributions receivable						
Deferred compensation held by insurance companies						50,692,655
Total assets	$ 104,939	$ 176,900	$ 1,038,336	$ 430,000	$ 2,230,290	$ 61,992,655
Liabilities and Fund Balances						
Liabilities:						
Cash overdraft	$	$	$	$ 289,103	$ 179,980	$ 1,518,945
Vouchers and accounts payable	25,491	447,753	113,825		220,981	7,437,212
Accrued payroll and fringe benefits	10,874					
Due to general fund						254,313
Due to other governments and agencies						523,952
State employees - deferred compensation program						50,692,655
Other liabilities					1,454,733	1,565,578
Total liabilities	36,365	447,753	113,825	289,103	1,855,694	61,992,655
Fund balances:						
Reserved for pension benefits						
Reserved for encumbrances					91,639	
Unreserved	68,574	(270,853)	924,511	140,897	282,957	
Total fund balances (deficit)	68,574	(270,853)	924,511	140,897	374,596	
Total liabilities and fund balances	$ 104,939	$ 176,900	$ 1,038,336	$ 430,000	$ 2,230,290	$ 61,992,655

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit G-1-2

COMBINING BALANCE SHEETS
ALL TRUST AND AGENCY FUNDS

June 30, 1990

	Pension Trust Funds		Nonexpendable Trust Funds		Totals	
Assets	Employees' Retirement	Municipal Employees' Retirement	Permanent School	Touro Jewish Synagogue	June 30, 1990	June 30, 1989 *
Cash and cash equivalents	$ 316,093,011	$ 23,906,941	$ 1,473,195	$ 156,623	$ 356,852,053	$ 414,445,274
Investments	1,551,243,058	228,823,258	15,000	767,848	1,780,849,164	1,484,298,565
Accounts receivable					58,182	105,759
Accrued interest and dividends receivable	20,634,380	2,994,157	4,048	13,303	23,645,888	23,078,809
Contributions receivable	19,383,153	793,325			20,176,478	32,995,134
Deferred compensation held by insurance companies					50,692,655	44,609,631
Total assets	$ 1,907,353,602	$ 256,517,681	$ 1,492,243	$ 937,774	$ 2,232,274,420	$ 1,999,533,172
Liabilities and Fund Balances						
Liabilities:						
Cash overdraft	$	$	$	$	$ 1,988,028	$ 3,089,075
Vouchers and accounts payable	2,411,056	375,386	7,326	36,295	11,075,325	3,031,294
Accrued payroll and fringe benefits	1,591				12,465	6,965
Due to general fund					254,313	286,656
Due to other governments and agencies					523,952	752,018
State employees - deferred compensation program					50,692,655	44,609,631
Other liabilities	8,287,998	1,644,594			12,952,903	4,237,050
Total liabilities	10,700,645	2,019,980	7,326	36,295	77,499,641	56,012,689
Fund balances:						
Reserved for pension benefits	1,896,652,957	254,497,701			2,151,150,658	1,939,638,856
Reserved for encumbrances					91,639	21,072
Unreserved			1,484,917	901,479	3,532,482	3,860,555
Total fund balances (deficit)	1,896,652,957	254,497,701	1,484,917	901,479	2,154,774,779	1,943,520,483
Total liabilities and fund balances	$ 1,907,353,602	$ 256,517,681	$ 1,492,243	$ 937,774	$ 2,232,274,430	$ 1,999,533,172

* Restated.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit G-2

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCES
PENSION TRUST FUNDS

June 30, 1990

	Employees' Retirement	Municipal Employees' Retirement	Totals	
			Year Ended	
			June 30,1990	June 30,1989 *
Operating revenues:				
Net contributions	$ 176,130,452	$ 14,365,508	$ 190,495,960	$ 214,082,383
Income from investments (net)	151,328,437	22,811,163	174,139,600	255,610,624
Interest on member purchases	752,290	94,153	846,443	969,645
Miscellaneous	14,870	158	15,028	10,547
Total operating revenues	328,226,049	37,270,982	365,497,031	470,673,199
Operating expenses:				
Retirement benefits	136,495,414	11,303,511	147,798,925	123,955,884
Management and professional fees	4,148,274	678,300	4,826,574	1,560,214
Total operating expenses	140,643,688	11,981,811	152,625,499	125,516,098
Operating income	187,582,361	25,289,171	212,871,532	345,157,101
Operating transfers out	(1,164,230)	(195,499)	(1,359,729)	(1,169,479)
Net income	186,418,131	25,093,672	211,511,803	343,987,622
Fund balances, July 1	1,710,234,826	229,404,029	1,939,638,855	1,595,651,233
Fund balances, June 30	$ 1,896,652,957	$ 254,497,701	$ 2,151,150,658	$ 1,939,638,855

* Restated.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit G-3

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCES NONEXPENDABLE TRUST FUNDS

For the Fiscal Year Ended June 30, 1990

	Permanent School	Touro Jewish Synagogue	Totals June 30, 1990	Totals June 30, 1989 *
Operating revenues:				
Fees	$ 11,752	$	$ 11,752	$ 4,090
Income from investments	117,816	82,832	200,648	207,776
Total operating revenues	129,568	82,832	212,400	211,866
Operating expenses:				
Grants	33,006		33,006	60,850
Other operating expenses	2,493	75,465	77,958	74,608
Total operating expenses	35,499	75,465	110,964	135,458
Net income	94,069	7,367	101,436	76,408
Fund balances, July 1	1,390,848	894,112	2,284,960	2,208,552
Fund balances, June 30	$1,484,917	$ 901,479	$ 2,386,396	$ 2,284,960

* Restated.

Exhibit G-4

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT) EXPENDABLE TRUST FUNDS

For the Fiscal Year Ended June 30, 1990

	Unclaimed Property	Violent Crimes Indemnity	R.I. Veterans' Home	Real Estate Recovery	Custodial	Totals	
						June 30, 1990	June 30, 1989
Revenues:							
Fees, sales and services	$ 3,140	$	$ 439,586	$ 15,465	$ 1,511,786	$ 1,969,977	$ 1,634,030
Income from investments		14,993	62,641	38,250	34,539	150,423	204,553
Unclaimed property	4,096,880					4,096,880	3,925,587
Fines		1,318,063				1,318,063	1,065,679
Federal grants		340,000				340,000	277,000
Miscellaneous	454	7,725	57,137		374,475	439,791	196,375
Total revenues	4,100,474	1,680,781	559,364	53,715	1,920,800	8,315,134	7,303,224
Expenditures:							
Individual and family development					1,878,705	1,878,705	1,358,607
Miscellaneous	1,160,081	1,891,686	349,131	13,328		3,414,226	2,853,194
Total expenditures	1,160,081	1,891,686	349,131	13,328	1,878,705	5,292,931	4,211,801
Excess (deficiency) of revenues over expenditures	2,940,393	(210,905)	210,233	40,387	42,095	3,022,203	3,091,423
Other financing uses:							
Interfund transfers	(3,050,000)			(325,000)	(6,145)	(3,381,145)	(2,699,676)
Total other financing uses	(3,050,000)			(325,000)	(6,145)	(3,381,145)	(2,699,676)
Increase (decrease) in fund balances	(109,607)	(210,905)	210,233	(284,613)	35,950	(358,942)	391,747
Fund balances (deficit), July 1	178,181	(59,948)	714,278	425,510	338,646	1,596,667	1,204,920
Fund balances (deficit), June 30	$ 68,574	$ (270,853)	$ 924,511	$ 140,897	$ 374,596	$ 1,237,725	$ 1,596,667

Exhibit G-5

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINING STATEMENT OF CASH FLOWS
PENSION TRUST FUNDS

For the Fiscal Year Ended June 30, 1990

	Employees' Retirement	Municipal Employees' Retirement	Total
Cash flows from operating activities:			
Cash received from employers and employees	$ 198,181,505	$ 15,514,754	$ 213,696,259
Cash payments to suppliers for goods and services	(2,387,566)	(397,832)	(2,785,398)
Cash payments to retirees and survivors	(136,495,414)	(11,303,511)	(147,798,925)
Refunds of contributions	(8,881,306)	(653,895)	(9,535,201)
Cash payments to employees for services	(40,443)	(5,488)	(45,931)
Other operating revenue	519,204	67,117	586,321
Net cash provided by (used for) operating activities	50,895,980	3,221,145	54,117,125
Cash flows from noncapital financing activities:			
Operating transfers-in from other funds	81,445	68,966	150,411
Operating transfers-out to other funds	(1,245,675)	(264,465)	(1,510,140)
Net cash provided by (used for) noncapital financing activities	(1,164,230)	(195,499)	(1,359,729)
Cash flows from investing activities:			
Purchase of investment securities	(1,311,364,855)	(190,732,903)	(1,502,097,758)
Proceeds from sale and maturities of investment securities	1,087,331,791	163,971,242	1,251,303,033
Interest and dividends on investments	120,286,298	16,418,589	136,704,887
Net cash provided by (used for) investing activities	(103,746,766)	(10,343,072)	(114,089,838)
Net increase (decrease) in cash and cash equivalents	(54,015,016)	(7,317,426)	(61,332,442)
Cash and cash equivalents, July 1, 1989	370,108,027	31,224,367	401,332,394
Cash and cash equivalents, June 30, 1990	$ 316,093,011	$ 23,906,941	$ 339,999,952
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income	$ 187,582,361	$ 25,289,171	$ 212,871,532
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Income from investments	(151,328,437)	(22,811,163)	(174,139,600)
Change in assets and liabilities:			
Decrease in contributions receivable	12,417,457	401,198	12,818,655
Increase in vouchers payable and accounts payable	2,223,008	341,939	2,564,947
Increase in accrued expenses	1,591		1,591
Total adjustments	(136,686,381)	(22,068,026)	(158,754,407)
Net cash provided by (used for) operating activities	$ 50,895,980	$ 3,221,145	$ 54,117,125

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit G-6

COMBINING STATEMENT OF CASH FLOWS
NONEXPENDABLE TRUST FUNDS

For the Fiscal Year Ended June 30, 1990

	Permanent School	Touro Jewish Synagogue	Total
Cash flows from operating activities:			
Other operating revenues	$ 11,752	$	$ 11,752
Other operating disbursements	(41,822)	(39,170)	(80,992)
Net cash provided by (used for) operating activities	(30,070)	(39,170)	(69,240)
Cash flows from investing activities:			
Interest and dividends on investments	122,685	82,577	205,262
Net cash provided by (used for) investing activities	122,685	82,577	205,262
Net increase in cash and cash equivalents	92,615	43,407	136,022
Cash and cash equivalents, July 1, 1989	1,380,580	113,216	1,493,796
Cash and cash equivalents, June 30, 1990	$ 1,473,195	$ 156,623	$ 1,629,818
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	$ 94,069	$ 7,367	$ 101,436
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:			
Income from investments	(117,816)	(82,832)	(200,648)
Change in assets and liabilities:			
Increase (decrease) in vouchers and accounts payable	(6,323)	36,295	29,972
Total adjustments	(124,139)	(46,537)	(170,676)
Net cash provided by (used for) operating activities	$ (30,070)	$ (39,170)	$ (69,240)

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit G-7

PAYROLL AND PENSION CLEARING FUND
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

For the Fiscal Year Ended June 30, 1990

Assets	Balance July 1, 1989 *	Additions	Deductions	Balance June 30, 1990
Cash and cash equivalents	$ 8,000,000	$ 848,468,323	$ 845,168,323	$ 11,300,000
Deferred compensation held by insurance carriers	44,609,631	6,083,024		50,692,655
Total assets	$ 52,609,631	$ 854,551,347	$ 845,168,323	$ 61,992,655

Liabilities	Balance July 1, 1989 *	Additions	Deductions	Balance June 30, 1990
Cash overdraft	$ 3,089,075	$	$ 1,570,129	$ 1,518,946
Vouchers and accounts payable	2,434,325	7,437,212	2,434,325	7,437,212
Due to general fund	286,656	3,640,856	3,673,074	254,438
Due to other governments and agencies	752,018	168,498,277	168,725,560	524,735
State employees - R. I. deferred compensation program	44,609,631	6,083,024		50,692,655
Other liabilities	1,437,926	668,891,978	668,765,235	1,564,669
Total liabilities	$ 52,609,631	$ 854,551,347	$ 845,168,323	$ 61,992,655

* Restated.

FINANCIAL SECTION

Exhibit/
Schedule

GENERAL LONG-TERM DEBT ACCOUNT GROUP:

Statement of General Long-Term Debt H-1

Statement of Changes in General Long-Term Debt H-2

STATE DEBT

DEBT SERVICE COST	1990	1989	Increase (Decrease)
General obligation bonds - current interest bonds:			
Interest on debt	$ 22,531,139	$ 22,491,425	$ 39,714
Redemption of bonds	34,105,000	33,530,000	575,000
	$ 56,636,139	$ 56,021,425	$ 614,714
General obligation bonds - capital appreciation bonds:			
Interest on debt	$ 433,396	$	$ 433,396
Redemption of bonds	4,675,604		4,675,604
	$ 5,109,000	$	$ 5,109,000
General obligation bond anticipation notes:			
Interest on debt	$ 154,000	$ 1,283,229	$ (1,129,229)
Redemption of notes	20,000,000	59,590,000	(39,590,000)
	$ 20,154,000	$ 60,873,229	$ (40,719,229)
Lease participation certificates:			
Interest on debt	$ 822,329	$ 649,170	$ 173,159
Redemption of certificates	3,301,259	2,710,998	590,261
	$ 4,123,588	$ 3,360,168	$ 763,420
Loans payable to R.I. Refunding Bond Authority:			
Interest on debt	$ 1,028,823	$ 1,175,350	$ (146,527)
Redemption of loans	1,530,000	2,970,000	(1,440,000)
	$ 2,558,823	$ 4,145,350	$ (1,586,527)
Lease obligations to R.I. Public Buildings Authority:			
Interest on debt	$ 2,568,517	$ 2,424,253	$ 144,264
Redemption of lease obligations	8,162,000	6,810,000	1,352,000
	10,730,517	$ 9,234,253	$ 1,496,264

* * *

STATE AUTHORITIES

Bonds Guaranteed by State	Amount Outstanding June 30, 1990
Blackstone Valley District Commission	$ 16,755,000
Narragansett Bay Water Quality Management District Commission	7,170,000
Rhode Island Turnpike and Bridge Authority (State guarantee limited to $31,000,000)	31,000,000
	$ 54,925,000

BONDS AND NOTES AUTHORIZED AND UNISSUED AT JUNE 30, 1990

			Issued		
	Legal Reference	Authorized	Current Year	To Date	Unissued June 30, 1990
General Obligation Bonds Supported By Taxes					
Capital Development Fund	Ch. 163, P.L. 1980	$ 14,869,600	$	$ 13,865,000	$ 1,004,600
	Ch. 344, P.L. 1982	40,500,000	555,000	39,365,084	1,134,916
	Ch. 332, P.L. 1983	68,600,000	3,045,000	59,242,623	9,357,377
	Ch. 156, P.L. 1984	25,775,000	895,000	24,280,063	1,494,937
	Ch. 367, P.L. 1985	41,180,000	4,395,000	37,845,090	3,334,910
	Ch. 419, P.L. 1986	116,580,000	20,925,000	83,714,068	32,865,932
	Ch. 449, P.L. 1988	149,922,500	28,850,000	28,850,000	121,072,500
	Ch. 552, P.L. 1989	95,000,000			95,000,000
R.I. Economic Development Fund	Ch. 157, P.L. 1979	25,000,000		20,000,075	4,999,925
Environmental Response Fund	Ch. 403, P.L. 1984	5,000,000	2,160,000	4,160,249	839,751
Sewerage and Water Supply Failure Fund	Ch. 420, P.L. 1984	5,000,000	1,000,000	3,300,144	1,699,856
Asbestos and Dangerous Products Abatement Fund	Ch. 366, P.L. 1985	14,000,000		4,000,000	10,000,000
Heritage Capital Development Fund	Ch. 369, P.L. 1985	9,000,000	840,000	6,425,092	2,574,908
Underground Storage Tank Replacement Revolving Loan Fund	Ch. 486, P.L. 1985	1,500,000	155,000	155,000	1,345,000
Narragansett Bay Water Quality Management District Commission Fund	Ch. 342, P.L. 1980	73,641,000		20,000,000	53,641,000
Clean Water Act Environmental Trust Fund	Ch. 289, P.L. 1986	35,000,000	5,550,000	15,080,699	19,919,301
Hazardous Waste Technology Research, Development and Demonstration Fund	Ch. 399, P.L. 1986	2,000,000	455,000	455,000	1,545,000
Open Space and Recreational Area Fund	Ch. 425, P.L. 1987	65,200,000	7,685,000	35,685,000	29,515,000
Drinking Water Protection Fund	Ch. 417, P.L. 1987	10,000,000			10,000,000
Rhode Island Aqua Fund	Ch. 443, P.L. 1988	15,000,000	105,000	105,000	14,895,000
Residential Substance Abuse Treatment Facilities Fund	Ch. 628, P.L. 1988	3,200,000	185,000	185,000	3,015,000
Rhode Island Historical Preservation Commission	Ch. 377, P.L. 1989	4,500,000			4,500,000
Total General Obligation Bonds Supported By Taxes		$820,468,100	$76,800,000	$396,713,187	$ 423,754,913
Self-supporting Enterprise Bonds - Guaranteed By State					
R.I. Industrial - Recreational Building Authority	Ch. 537, P.L. 1987	$ 80,000,000	$	$	$ 80,000,000 *
Blackstone Valley Sewer District Commission	Ch. 267, P.L. 1966	8,500,000		7,800,000	700,000
Blackstone Valley Sewer District Commission	Ch. 92, P.L. 1971	3,300,000		900,000	2,400,000
Blackstone Valley District Commission	Ch. 289, P.L. 1986	17,200,000		12,045,000	5,155,000
Narragansett Bay Water Quality Management District Commission	Ch. 342, P.L. 1980	14,059,000		8,500,000	5,559,000
Total Self-supporting Enterprise Bonds - Guaranteed By State		$123,059,000	$	$ 29,245,000	$ 93,814,000

* This amount would be reduced by the amount of mortgages guaranteed by the Rhode Island Industrial-Recreational Building Authority, $24,498,991 at June 30, 1990.

Exhibit H-1

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

STATEMENT OF GENERAL LONG-TERM DEBT

June 30, 1990 and 1989

	1990	1989 *
Amount to be provided for retirement of general long-term debt	$ 697,692,970	$ 555,084,900

General long-term debt payable:		
General obligation bonds payable:		
Current interest bonds	$ 298,995,000	$ 333,100,000
Capital appreciation bonds	41,697,750	46,373,354
Accreted interest on capital appreciation bonds	3,403,510	
General obligation bond anticipation notes	76,800,000	
Lease participation certificates payable	17,968,062	10,330,391
Correctional facilities certificates of participation	31,343,973	
Loan payable to R.I. Refunding Bond Authority	15,340,000	16,870,000
Lease obligations to the R.I. Public Buildings Authority	186,496,000	130,491,500
Lease obligations to the Convention Center Authority	24,222,500	17,214,979
Arbitrage rebate payable	1,426,175	704,676
	$ 697,692,970	$ 555,084,900

* Restated.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit H-2

STATEMENT OF CHANGES IN GENERAL LONG-TERM DEBT

For the Fiscal Year Ended June 30, 1990

	Balance July 1, 1989	General Long-term Debt Incurred	General Long-term Debt Retired	Balance June 30, 1990
General obligation bonds payable:				
Current interest bonds	$ 333,100,000	$	$ 34,105,000	$ 298,995,000
Capital appreciation bonds	46,373,354		4,675,604	41,697,750
Accreted interest on capital appreciation bonds		3,403,510		3,403,510
General obligation bond anticipation notes		96,800,000	20,000,000	76,800,000
Lease participation certificates payable	10,330,391	10,938,930	3,301,259	17,968,062
Correctional facilities certificates of participation		31,343,973		31,343,973
Loan payable to R.I. Refunding Bond Authority	16,870,000		1,530,000	15,340,000
Lease obligations to the R.I. Public Buildings Authority	130,491,500	64,166,500	8,162,000	186,496,000
Lease obligations to the Convention Center Authority	17,214,979	7,007,521		24,222,500
Arbitrage rebate payable	704,676	721,499		1,426,175
	$ 555,084,900	$ 214,381,933	$ 71,773,863	$ 697,692,970

STATISTICAL SECTION

STATISTICAL SECTION

Exhibit/
Schedule

GENERAL FUND:

General Revenue by Source - Ten Years S-1

Chart of Revenues - Ten Years S-2

Principal Sources of General Revenue - Ten Years S-3

Expenditures S-4

Chart of Expenditures S-5

Expenditures by Function - Five Years S-6

Comparative Summary of Expenditures by Character and Object Classification - Five Years S-7

Exhibit S-1

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

GENERAL FUND
GENERAL REVENUE BY SOURCE

Ten Year Period Ended June 30, 1990

(Expressed in thousands)

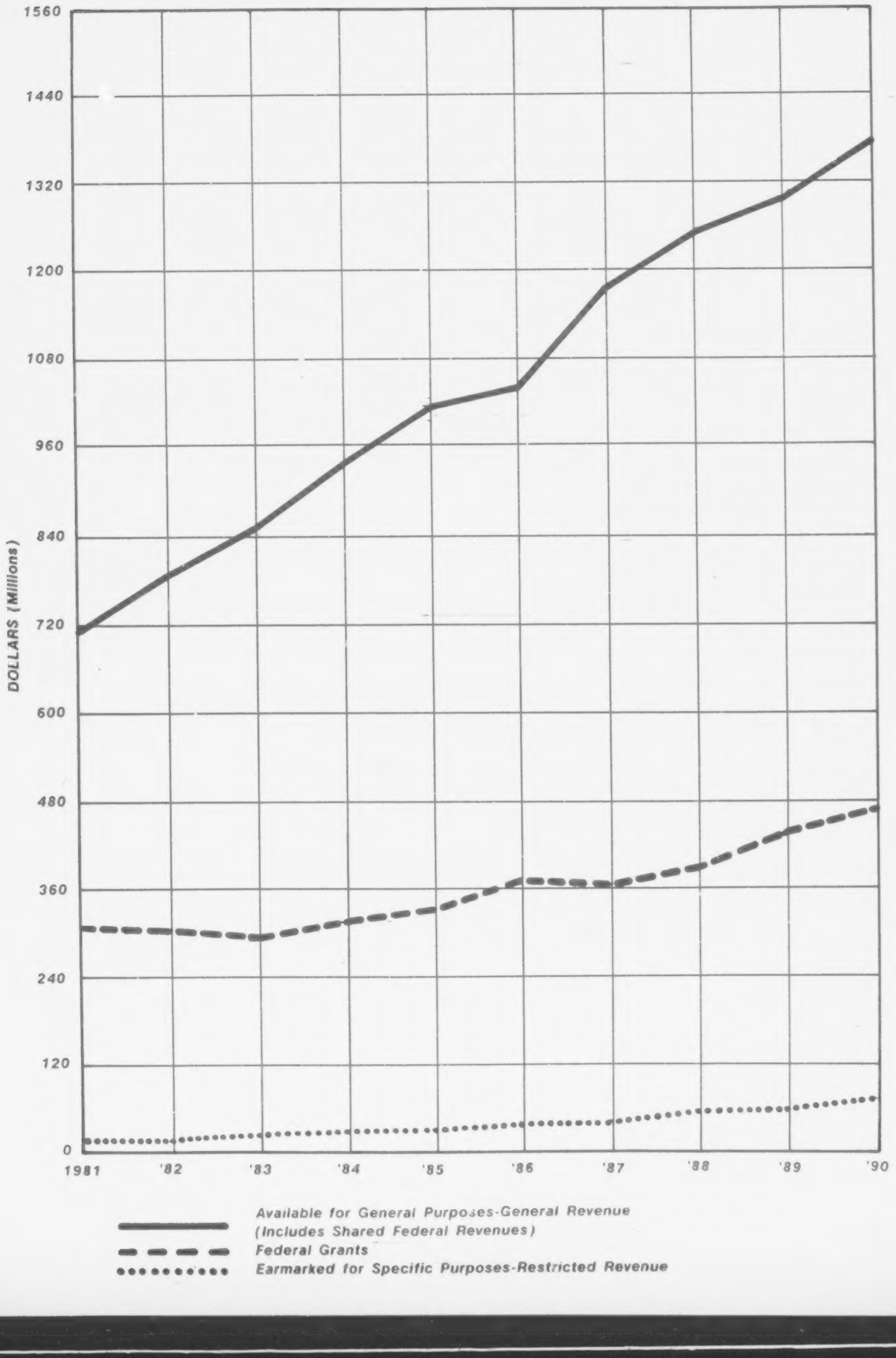
Fiscal Year	Taxes	Licenses and Fees	Fines and Penalties	Sales and Services	Other Revenue	Federal Grants	Departmental Restricted	Total Revenues
1981	602,603	7,233	5,895	77,857	23,109	305,617	11,240	1,033,554
1982	664,558	9,167	7,885	86,410	22,931	302,828	12,214	1,105,993
1983	714,945	11,013	9,334	94,164	20,670	291,843	18,621	1,160,590
1984	791,521	12,040	12,012	94,481	24,895	310,844	26,561	1,272,354
1985	857,654	13,244	15,483	99,364	27,464	331,566	30,287	1,375,062
1986	887,827	13,901	8,753	102,671	30,491	366,712	31,207	1,441,562
(1) 1987	1,032,874	14,296	11,916	97,532	9,190	361,106	37,766	1,564,680
1988	1,103,199	15,979	12,294	101,552	14,835	385,266	48,238	1,681,363
(2) 1989	1,134,770	17,425	11,440	115,923	10,640	430,545	56,875	1,777,618
1990	1,222,796	18,913	9,929	111,563	7,763	470,281	68,576	1,909,821

(1) Beginning in 1987, Lottery Fund transfers to the General Fund were classified as an other financing source.

(2) Certain receipts which were formerly classified as departmental restricted revenues and other revenue are reclassified as other financing sources.

EXHIBIT S-2

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
GENERAL FUND REVENUES



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit S-3

GENERAL FUND
SUMMARY OF PRINCIPAL SOURCES OF GENERAL REVENUE OF THE STATE
EXCLUSIVE OF FEDERAL GRANTS

Ten Year Period Ended June 30, 1989

(Expressed in thousands)

	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981
(1)Personal Income Tax	433,728	422,255	388,647	358,828	285,343	284,259	284,149	263,699	212,752	194,837
(2)Sales and Use Tax	399,769	390,951	381,201	351,465	301,064	278,165	245,555	213,774	193,268	179,639
(3)Business Corporation Tax	62,248	57,259	66,650	81,602	64,116	68,249	57,020	40,651	51,101	48,828
(4)Gasoline Tax	64,176	41,832	44,705	43,687	47,720	46,191	45,970	43,326	46,440	39,824
(5)Gross Earnings - Public Utilities	66,313	49,917	54,113	56,106	63,126	70,049	58,882	50,913	53,917	44,463
(6)Cigarette Tax	36,974	31,732	33,525	29,464	29,873	29,123	29,310	29,474	26,670	25,043
Tax on Insurance Companies	37,095	32,821	30,362	27,393	22,572	17,364	16,391	14,457	15,622	13,767
(7)Motor Vehicles - Registration and Licenses	$ 29,444	23,748	$ 23,843	$ 21,451	$ 21,142	$ 19,383	$ 17,922	$ 17,118	$ 14,050	$ 17,062

TAX RATE CHANGES

(1)The Tax Administrator set the rate of 19.24% of taxpayer's federal income tax liability for the calendar year 1981 and 21.9% for 1982. Effective January 1, 1983 through June 30, 1983, the rate increased to 27.5%; the rate for July 1, 1983 was set at 26% making an effective rate for calendar year 1983 of 26.75% (Ch. 167, P.L. 1983). On July 1, 1984, the rate was set at 25% making an effective rate for calendar year 1984 of 25.5% (Ch. 245, P.L. 1984). As of January 1, 1985, the personal income tax rate was reduced to 23.65% (Ch. 5, P.L. 1985). Also, the tax revenue for fiscal year 1985 reflects the distribution of approximately 11.5 million dollars of tax rebates to the majority of tax filers. This is as a result of legislation enacted which, in effect, changed the 181, P.L. 1985). Effective January 1, 1986, the rate was reduced to 21.65% of the federal tax liability, but was subsequently adjusted upward to 22.21% (Ch. 181, P.L. 1985) to accomodate State revenue losses resulting from the estimated value of federal indexing. The fiscal 1987 Appropriations Act provided for a state personal income tax rate of 22.65%, in the event that annual indexing of the federal personal income tax took place on January 1, 1987 as provided under provisions of the Economic Recovery Tax Act of 1981 or under similar but newly enacted legislation as passed by the United States Congress. However, the signing into law on October 22, 1986 of the Federal Tax Reform Act of 1986, necessitated that a new rate be set for the period beginning January 1, 1987 equal to 23.96%. This rate is contained in the 1988 Appropriation Act, which also provides for a reduction on July 1, 1987 to 22.96% of the taxpayer's federal liability. The effective rate for calendar year 1987 was 23.46%, and the rate for 1988 and subsequent years is 22.96%.

(2)Effective May 19, 1982, sale of a boat to a non-resident and sales to nonprofit organized bands for persons under age 18 were added to exemptions (Ch. 320, P.L. 1982). Effective July 1, 1989, the sales tax was applied to interstate long distance telephone service (Ch. 126, P.L. 1989).

(3)For the period, January 1, 1983 through December 31, 1983, the rate increased from 8% to 9% of net income, and 8% thereafter (Ch. 2, P.L. 1983). The tax rate was increased to 9% of net income effective July 1, 1989 (Ch. 126, P.L. 1989).

(4)Effective June 1, 1981, the tax rate was changed from $.10 per 1983, the tax rate was increased to 11% of the wholesale selling price, but not less than $.13 per gallon (Ch. 2, P.L. 1983). Effective July 1, 1983, $.015 of the tax imposed was to be used for making appropriations for the financial support of the Rhode Island Public Transit Authority (Ch. 167, P.L. 1983). Effective July 1, 1985, $.02 of the tax imposed was for making such appropriations (Ch. 181, P.L. 1985). Effective July 1, 1986, $.03 of the tax imposed was used for the financial support of the Rhode Island Public Transit Authority (Ch. 287, P.L. 1986). Effective July 1, 1989, the tax rate was increased from $.13 per gallon to $.18 per gallon (Ch. 126, P.L. 1989).

(5)Legislation was enacted during the 1983 session of the General Assembly providing for the following changes in the rates of taxation; (a) for telecommunications corporations effective July 1, 1983, an increase in the rate from 8% to 10% of gross earnings to be reduced to 9% effective July 1, 1985, and 8% effective July 1, 1986; and (b) for public service cable corporations, a rate of 8% effective July 1, 1983. The gross earnings tax rate of telecommunications corporations was reduced to 7%, effective July 1, 1987, and to 6%, effective July 1, 1988 (Ch. 287, P.L. 1986).

(6)Effective March 15, 1982, the rate was changed from $.18 to $.23 per package (Ch. 9, P.L. 1982). The tax rate was increased, effective July 1, 1988, to $.27 per package (Ch. 129, P.L. 1988). The tax rate was increased, effective June 29, 1989, to $.37 per package (Ch. 126, P.L. 1989).

(7)License renewals prior to January 1, 1985 were for a period of two years and carried a fee of $8.00. Subsequent to that date, the license renewal period was extended to five years and the fee increased to $20.00 (Ch. 439, P.L. 1984). Effective January 1, 1988 a two year registration system was implemented (Ch. 167, P.L. 1986).

Exhibit S-4

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

GENERAL FUND EXPENDITURES (1)

Ten Year Period Ended June 30, 1990

(Expressed in thousands)

Fiscal Year	General	%	Federal Grants	%	Departmental Restricted and Interfund Transfers	%	Total Expenditures	%
1981	$ 672,619	12.0	$ 296,712	6.6	$ 13,931	(29.0)	$ 983,262	9.6
1982	733,192	9.0	300,774	1.4	12,520	(10.1)	1,046,486	6.4
1983	762,438	4.0	295,355	(1.8)	17,260	37.9	1,075,053	2.7
1984	800,755	5.0	313,972	6.3	26,219	51.9	1,140,946	6.1
1985	864,850	8.0	340,059	8.3	28,919	10.3	1,233,828	8.1
1986	939,201	8.6	353,865	4.1	29,413	1.7	1,322,479	7.2
1987	1,010,994	7.6	364,765	3.1	35,339	20.1	1,411,098	6.7
1988	1,128,158	11.6	389,245	6.7	45,584	29.0	1,562,987	10.8
1989	1,260,521	11.7	429,634	10.4	48,382	6.1	1,738,537	11.2
1990	1,348,307	7.0	467,135	8.7	63,430	31.1	1,878,872	8.1

(1) Expenditures reported in this exhibit are exclusive of transfers to other funds. Amounts reported for fiscal 1981 through 1989 have been reclassified to conform to this presentation.

Percentages indicate increase (decrease) from prior years.

EXHIBIT S-5

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
GENERAL FUND EXPENDITURES

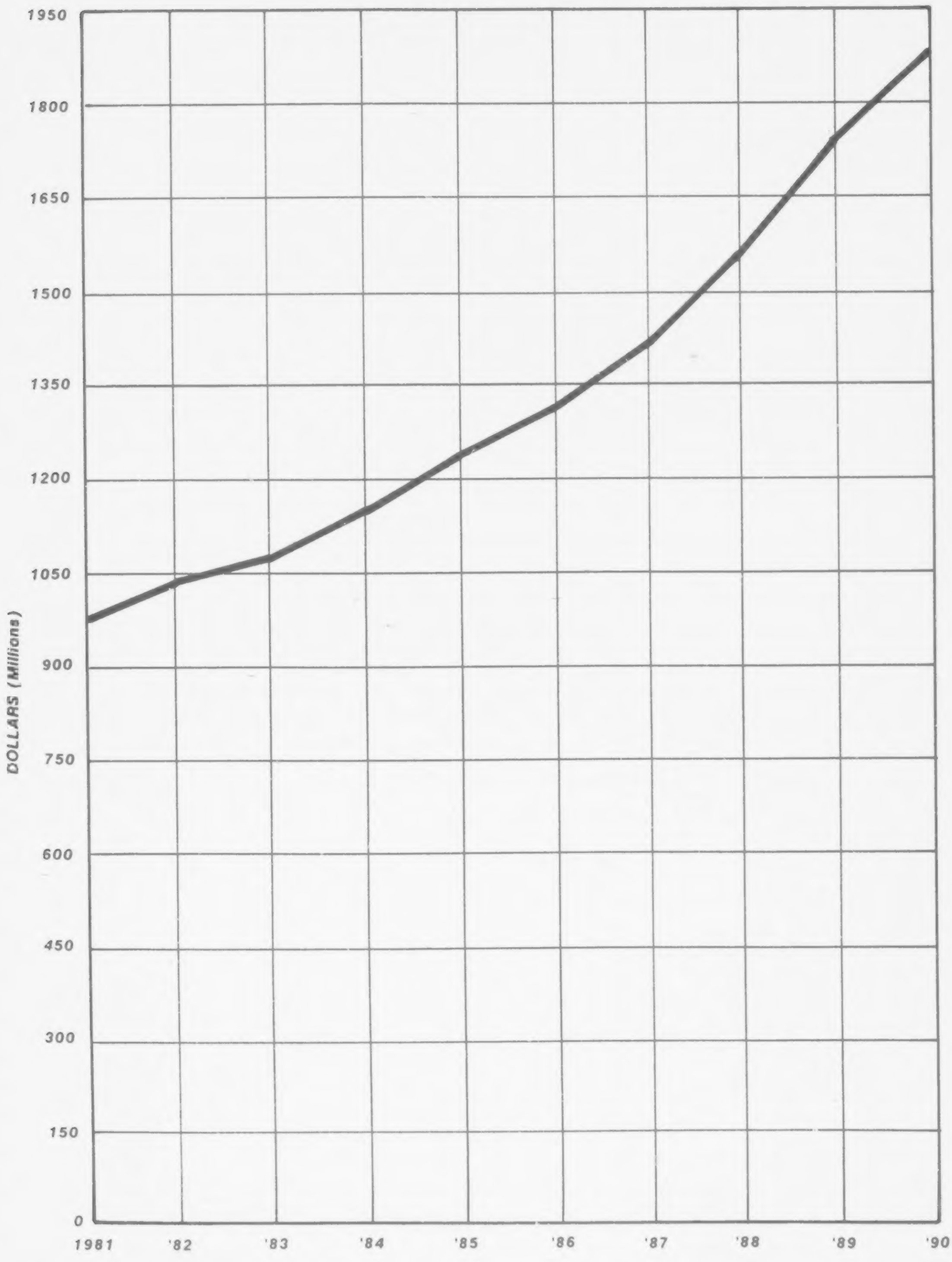


Exhibit S-6

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

GENERAL FUND
EXPENDITURES BY FUNCTION

Five Year Period Ended June 30, 1990

(Expressed in thousands)

	1990	1989	1988	1987	1986
INDIVIDUAL AND FAMILY DEVELOPMENT					
Health	$ 636,058	$ 583,521	$ 530,571	$ 486,381	$ 461,547
Social assistance	406,512	360,533	299,587	272,809	253,767
Education	446,232	415,208	372,637	332,051	308,925
Total - individual and family development	1,488,802	1,359,262	1,202,795	1,091,241	1,024,239
ECONOMIC DEVELOPMENT					
Employment resources	19,544	24,274	23,745	24,787	24,710
Natural resources	37,972	34,325	26,396	25,682	21,572
Business resources	19,253	16,983	14,642	12,469	12,314
Total - economic development	76,769	75,582	64,783	62,938	58,596
PUBLIC SAFETY					
Highway safety	15,725	15,095	14,184	11,973	10,686
Crime prevention	26,273	25,694	22,669	20,685	18,493
Civil and state defense	6,882	7,432	6,602	5,996	9,200
Industrial safety	1,512	1,155	1,274	1,099	980
Water and recreational safety	1,340	1,390	1,021	725	370
Fire protection	1,407	1,323	1,311	1,115	1,086
Total - public safety	53,139	52,089	47,061	41,593	40,815
TRANSPORTATION					
Highway system	60,140	57,197	55,781	49,819	45,204
Air transport system	8,007	6,684	6,448	6,462	6,754
Motor bus system	1,488	3,649	17,976	17,894	14,062
Water transport system	15	17	2	11	7
Rail transport system		3	3,231	184	1
Total - transportation	69,650	67,550	83,438	74,370	66,028
COMPREHENSIVE SUPPORT					
Executive	17,565	17,743	14,224	13,216	11,376
Administrative	46,265	41,556	37,830	34,444	34,055
Community affairs	60,584	69,159	63,850	43,068	41,635
Legislative	11,979	11,102	10,523	9,446	9,501
Judicial	39,343	35,387	29,828	26,348	24,257
Election board	1,649	2,087	1,737	1,943	1,680
Consumer protection	387	355	344	335	318
Miscellaneous	12,740	6,665	6,574	12,156	9,979
Total - comprehensive support	190,512	184,054	164,910	140,956	132,801
TOTAL	$ 1,878,872	$ 1,738,537	$ 1,562,987	$ 1,411,098	$ 1,322,479

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit S-7

GENERAL FUND
COMPARATIVE SUMMARY OF EXPENDITURES BY CHARACTER AND OBJECT CLASSIFICATION

Five Year Period Ended June 30, 1990

(Expressed in thousands)

	1990	1989	1988	1987	1986
Personal services	$ 389,371	$ 372,128	$ 341,122	$ 304,960	$ 288,454
Employee benefit programs	106,860	98,754	90,977	78,284	78,992
General and office expense	13,657	14,127	13,266	13,002	12,233
Printing, binding, and advertising	6,521	6,832	5,856	5,511	4,324
Travel	2,530	2,829	2,822	2,382	2,365
Automotive expense	6,925	7,836	6,807	6,064	5,618
Repairs	12,857	12,497	9,889	8,205	7,407
Equipment replacements	949	967	1,832	1,529	1,541
Rentals	28,485	24,444	19,408	16,452	13,323
Food	17,731	15,812	14,923	13,897	14,189
Fuel	5,301	4,517	4,998	4,758	6,097
Light, heat, power and water	8,488	6,920	6,436	5,677	5,712
Other operating supplies and expenses	39,175	37,392	33,282	28,938	23,863
Capital outlays	12,830	14,749	13,942	10,489	8,665
Medical assistance	428,072	377,091	318,820	293,213	270,248
Aid to families with dependent children	95,079	83,314	79,157	75,760	74,664
Promotion of public education	362,183	323,330	292,909	260,080	238,165
Other grants and claims	268,426	276,970	257,949	230,488	217,630
Interest on bonds	21,890	22,623	16,745	20,836	19,303
Serial bond payments	38,788	31,769	26,450	25,265	23,811
Fixed charges and miscellaneous expenses	3,700	3,207	856	1,233	1,468
Interfund transfers	9,055	429	4,541	4,075	4,407
Total expenditures	$ 1,878,872	$ 1,738,537	$ 1,562,987	$ 1,411,098	$ 1,322,479

STATISTICAL SECTION

	Exhibit/ Schedule
STATE BONDED INDEBTEDNESS:	
State Bonded Indebtedness and Net Bonded Debt Per Capita - Ten Years	S-8
General Bonded Debt Expenditures - Ten Years	S-9
Chart of Net General Obligation Bonded Debt and Bonds Unissued - Supported by Taxes - Ten Years	S-10
Debt Service Requirements to Maturity - General Obligation Bonds	S-11

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit S-8

STATE BONDED INDEBTEDNESS AND NET BONDED DEBT PER CAPITA*

Ten Year Period Ended June 30, 1990

(Expressed in thousands except per capita data)

	General Obligation Bonded Debt				
Fiscal Year Ended June 30	General Obligation Bonded Debt Supported by Taxes	Sinking Fund	Net General Obligation Bonded Debt Supported by Taxes	Per Capita Net General Obligation Bonded Debt Supported by Taxes	Special Bonded Debt Guaranteed by State
1981	$ 203,220	$ 500	$ 202,720	$ 214.03	$ 38,215
1982	215,060	500	214,560	226.53	41,165
1983	239,135		239,135	252.48	40,900
1984	245,290		245,290	258.98	40,410
1985	260,865		260,865	275.42	40,480
1986	291,750		291,750	308.03	40,545
1987	261,895		261,895	276.51	39,575
1988	336,725		336,725	355.51	57,375
1989	379,473		379,473	400.65	56,190
1990	417,493		417,493	416.05	54,925

* For fiscal years ended June 30, 1981 through 1989, the basis used was the 1980 federal census population figure of 947,154; for fiscal year ended June 30, 1990 the basis used was the 1990 federal census population figure of 1,003,464.

Exhibit S-9

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

GENERAL BONDED DEBT EXPENDITURES

Ten Year Period Ended June 30, 1990

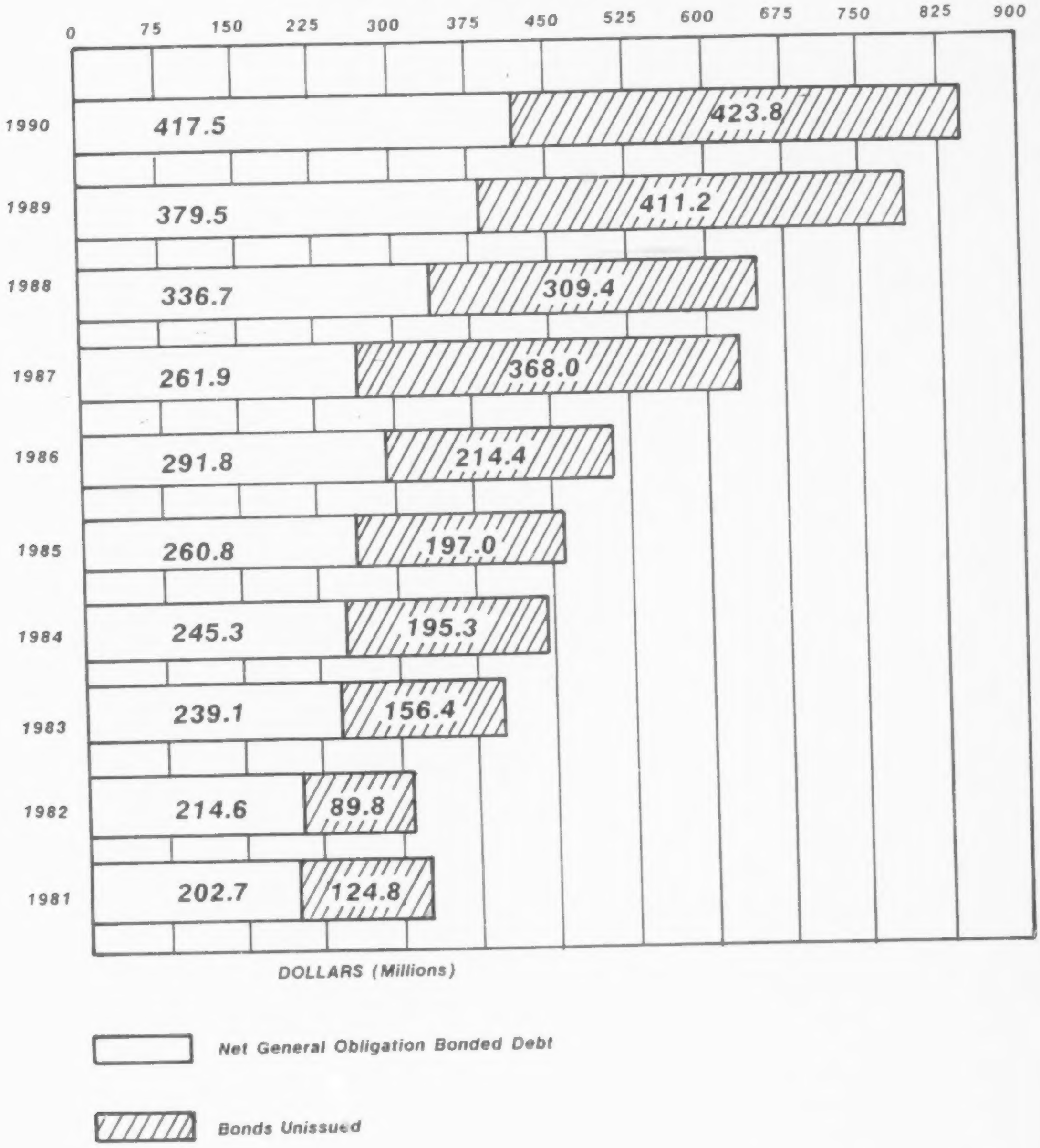
(Expressed in thousands)

Fiscal Year	Principal	Interest	Total Debt Service
1981	23,805	11,610	35,415
1982	23,160	12,400	35,560
1983	24,925	13,714	38,639
1984	23,545	16,137	39,682
1985	23,525	20,385	43,910
1986	28,255	18,956	47,211
1987	29,855	21,247	51,102
1988	48,980 (1)	18,822	67,802
1989	33,530	23,079	56,609
1990	38,781	22,964	61,745

(1) Includes $18,400 of 1984 general obligation bonds refunded.

Exhibit S-10

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS NET GENERAL OBLIGATION BONDED DEBT AND BONDS UNISSUED SUPPORTED BY TAXES



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit S-11

DEBT SERVICE REQUIREMENTS TO MATURITY - GENERAL OBLIGATION BONDS

(Expressed in thousands)

June 30, 1990

Fiscal Year	Principal	Interest	Total
1991	111,824 (1)	23,593	135,417
1992	31,270	18,768	50,038
1993	30,005-	17,447	47,452
1994	26,329	16,099	42,428
1995	23,895	14,425	38,320
1996	23,139	12,959	36,098
1997	22,239	11,737	33,976
1998	20,888	10,676	31,564
1999	19,778	11,728	31,506
2000	19,267	8,934	28,201
2001	16,487	8,013	24,500
2002	15,659	7,465	23,124
2003	13,738	6,600	20,338
2004	11,271	6,455	17,726
2005	9,285	3,719	13,004
2006	7,696	4,477	12,173
2007	6,339	3,020	9,359
2008	6,386	2,874	9,260
2009	1,998	6,240	8,238
Total	$ 417,493	$ 195,229	$612,722

(1) Includes $76,800 of Bond Anticipation Notes.

STATISTICAL SECTION

Exhibit/
Schedule

OTHER:

Combined Costs of Employee Benefit Programs - All Funds - Five Years S-12

Chart of Federal Grants Received - All Funds - Ten Years . . . S-13

Statement of Certain Expenditures for State Assistance to Communities S-14

Statement of Expenditures for School Operations - Five Years S-15

Exhibit S-12

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINED COSTS OF EMPLOYEE BENEFIT PROGRAMS - ALL FUNDS (1)

Five Year Period Ended June 30, 1990

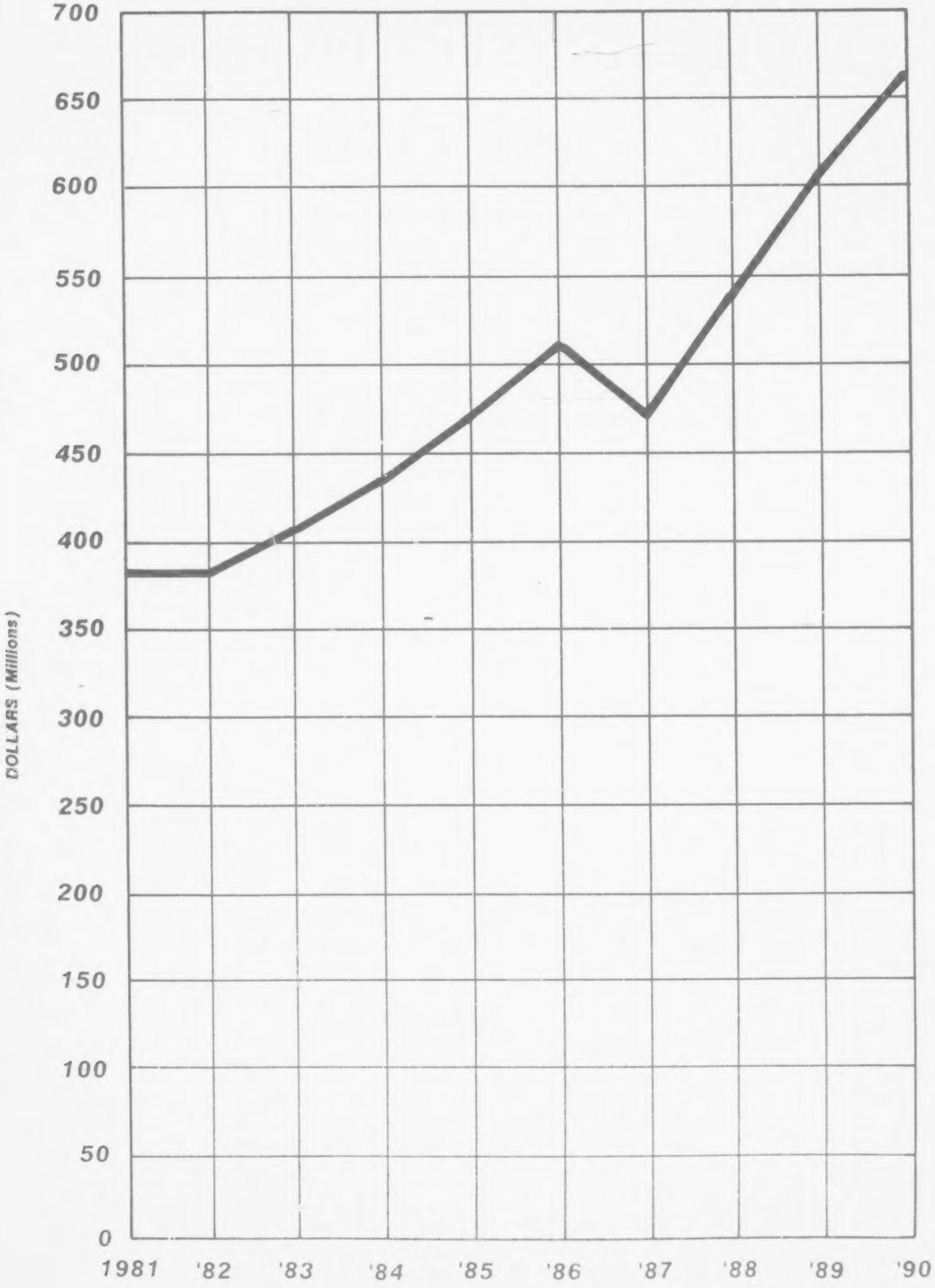
(Expressed in thousands)

	1990	1989	1988	1987	1986
Employees' retirement					
State share	$ 45,846	$ 49,003	$ 41,050	$ 37,346	$ 42,153
Employees' share	28,177	27,124	24,657	22,431	20,379
Total	74,023	76,127	65,707	59,777	62,532
Teachers' Insurance and Annuity					
State share	7,110	6,528	5,829	5,285	4,853
Employees' share	6,319	5,862	5,216	4,749	4,317
Total	13,429	12,390	11,045	10,034	9,170
Social security (F.I.C.A.)					
State share	37,667	35,308	31,231	27,707	26,214
Employees' share	37,667	35,308	31,232	27,709	26,213
Total	75,334	70,616	62,463	55,416	52,427
Unemployment compensation					
State cost	1,151	692	792	1,001	972
Workers' compensation					
State cost	23,340	19,344	17,068	15,854	13,250
Medical insurance					
State share	62,404	50,687	47,846	39,979	36,756
Employees' share	2,101	2,656	1,990	271	341
Total	64,505	53,343	49,836	40,250	37,097
Group life insurance					
State share	231	212			
Employees' share	2,251	2,234	2,035	1,823	1,777
Total	2,482	2,446	2,035	1,823	1,777
Employees' benefit program - Grand totals	254,264	234,958	208,946	184,155	177,225
Total state cost	177,749	161,774	143,816	127,172	124,198
Total employees' cost	$ 76,515	$ 73,184	$ 65,130	$ 56,983	$ 53,027

(1) State share is the related cost of benefit programs based on payroll cost and/or employer participation. Employees' share reflects the gross payroll deductions for benefit programs.

Exhibit S-13

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS FEDERAL GRANTS RECEIVED ALL FUNDS



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit S-14

STATEMENT OF CERTAIN EXPENDITURES FOR STATE ASSISTANCE TO COMMUNITIES

For the Fiscal Year Ended June 30, 1990

(Expressed in thousands)

Community	School Operations	General State Aid	Public Service Corporation Tax	Municipal Police and Firefighters Incentive	Other State Aid	Total
Barrington	$ 4,517	$ 341	$ 173	$ 60	$ 24	$ 5,115
Bristol	6,949	457	215	40	98	7,759
Burrillville	9,741	372	141	20	35	10,309
Central Falls	9,354	609	181	81	8	10,233
Charlestown		102	51	24		177
Coventry	14,751	414	289	98		15,552
Cranston	22,696	1,686	768	377	277	25,804
Cumberland	10,775	479	289	80		11,623
East Greenwich	4,150	291	89	43		4,573
East Providence	16,118	1,358	460	191	16	18,143
Exeter		52	48		130	230
Foster	1,269	85	29	7		1,390
Glocester	1,939	119	81	7		2,146
Hopkinton	4,087	116	68	9		4,280
Jamestown	1,030	115	2	5		1,152
Johnston	8,159	800	300	90		9,349
Lincoln	5,121	387	181	81		5,770
Little Compton	821	64	33	2		920
Middletown	6,500	265	184	73		7,022
Narragansett	3,838	316	129	59		4,342
Newport	8,381	761	312	228	115	9,797
New Shoreham	238	37	7	4		286
North Kingstown	10,424	514	234	100	1	11,273
North Providence	8,541	670	311	82	38	9,642
North Smithfield	4,998	278	106	24	11	5,417
Pawtucket	27,429	2,619	760	316	117	31,241
Portsmouth	5,508	360	152	51		6,071
Providence	69,223	5,623	1,673	983	1,914	79,416
Richmond	4,154	84	43			4,281
Scituate	3,987	187	74	28		4,276
Smithfield	5,193	525	180	60	128	6,086
South Kingstown	6,007	439	179	44	23	6,692
Tiverton	5,835	202	144	37		6,218
Warren	5,072	227	114	24		5,437
Warwick	23,549	2,364	930	367	88	27,298
Westerly	5,217	319	198	69	25	5,828
West Greenwich		42	29			71
West Warwick	11,953	548	288	117		12,906
Woonsocket	23,171	1,609	490	235	40	25,545
Chariho Regional School District	3,800					3,800
Exeter-West Greenwich Regional School District	4,613					4,613
Foster-Glocester Regional School District	3,856					3,856
School Lunch Program	22,229					22,229
Total	$ 395,193	$ 25,836	$ 9,935	$ 4,116	$ 3,088	$ 438,168

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Exhibit S-15

STATEMENT OF EXPENDITURES FOR SCHOOL OPERATIONS CLASSIFIED BY COMMUNITY

Five Year Period Ended June 30, 1990

(Expressed in thousands)

Community	1990	1989	1988	1987	1986
Barrington	$ 4,517	$ 4,037	$ 3,742	$ 3,349	$ 3,237
Bristol	6,949	5,776	5,361	4,544	4,476
Burrillville	9,741	7,518	6,416	5,703	5,173
Central Falls	9,354	7,607	6,623	5,816	5,316
Charlestown		1,219	1,237	1,096	993
Coventry	14,751	12,670	11,154	9,785	8,458
Cranston	22,696	17,084	15,350	13,676	12,113
Cumberland	10,775	8,487	7,836	6,786	6,201
East Greenwich	4,150	3,020	2,835	2,736	2,701
East Providence	16,118	12,534	10,804	10,470	8,242
Foster	1,269	1,013	692	612	540
Glocester	1,939	1,505	1,307	1,113	1,095
Hopkinton	4,087	3,824	3,823	3,356	3,004
Jamestown	1,030	874	836	754	691
Johnston	8,159	6,748	5,754	5,354	4,996
Lincoln	5,121	3,670	3,452	3,272	3,089
Little Compton	821	647	591	565	537
Middletown	6,500	4,445	3,845	3,922	3,512
Narragansett	3,838	2,617	2,453	2,076	1,986
Newport	8,381	6,692	6,253	5,650	5,612
New Shoreham	238	204	175	155	146
North Kingstown	10,424	8,291	7,207	6,414	5,961
North Providence	8,541	6,664	5,739	4,739	4,376
North Smithfield	4,998	3,696	3,247	2,793	2,547
Pawtucket	27,429	25,844	23,150	19,850	18,526
Portsmouth	5,508	4,197	3,743	3,516	3,291
Providence	69,223	57,274	53,302	46,952	42,379
Richmond	4,154	3,093	2,887	2,313	2,000
Scituate	3,987	3,037	2,676	2,113	1,766
Smithfield	5,193	4,241	3,467	3,360	2,919
South Kingstown	6,007	4,528	3,939	3,628	3,379
Tiverton	5,835	4,856	4,442	4,306	4,315
Warren	5,072	3,607	3,304	3,334	2,996
Warwick	23,549	24,988	22,557	20,662	19,692
Westerly	5,217	3,739	3,446	3,198	3,090
West Warwick	11,953	10,081	8,411	8,115	7,499
Woonsocket	23,171	20,360	18,968	17,098	15,950
Chariho Regional School District	3,800	1,103	494	369	252
Exeter-West Greenwich Regional School District	4,613	3,796	3,252	2,856	2,576
Foster-Glocester Regional School District	3,856	3,160	2,569	2,184	2,120
(1) School Lunch Program	22,229	20,372	17,933	17,832	17,366
Total	$ 395,193	$ 329,118	$ 295,272	$ 266,422	$ 245,118

(1) School Lunch Programs are not included in classification by community because figures were not available at time of publication.

STATE OF RHODE ISLAND
HOPE